DOCUMENT RESUME

ED 026 846 EF 002 865

State Plan for Higher Education in Michigan, (Provisional). Based Upon the Work of Dr. Harold T. Smith.
Michigan State Dept. of Education, Lansing.
Pub Date Sep 68
Note-94p.
EDRS Price MF-$0.50 HC-$4.80
Descriptors-College Planning, *Educational Administration, Educational Coordination, *Educational Finance, *Educational Needs, *Educational Planning, Enrollment Projections, Financial Needs, *Higher Education, Program Planning

The framework for an effective planning and coordinating program for the future development of higher education in Michigan is being devised, with the present structure as a starting point. The implementation of the process by which this development is to take place is the theme of this plan. Discussions include the needs of the people for higher education and training, the State Board plan for the implementation of a program of planning and coordination, and information and standards necessary to adequately advise in matters of the financial requirements of higher education. (FS)

ED 026846

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY

STATE PLAN FOR HIGHER EDUCATION IN MICHIGAN

PROVISIONAL

Based Upon the Work of
Dr. Harold T. Smith

EF 002865

MICHIGAN DEPARTMENT OF EDUCATION LANSING, MICHIGAN
September, 1968

State Board of Education

	Term Expires
Dr. Edwin L. Novak, *President* Flint	Jan. 1, 1973
Miss Marilyn Jean Kelly, *Vice President* Detroit	Jan. 1, 1969
Dr. Peter Oppewall, *Secretary* Grand Rapids	Jan. 1, 1971
Carmen DelliQuadri, *Treasurer* Houghton	Jan. 1, 1969
Dr. Leroy G. Augenstein Holt	Jan. 1, 1975
Thomas J. Brennan Dearborn	Jan. 1, 1971
Dr. Charles E. Morton Detroit	Jan. 1, 1973
James F. O'Neil Livonia	Jan. 1, 1975

Dr. Ira Polley, *State Superintendent of Public Instruction, Chairman*
Member, Ex-Officio
George Romney, *Governor*
Member, Ex-Officio

TABLE OF CONTENT

Page

AN OPENING STATEMENT 1
  Higher Education in the Last Half of the 20th Century 1
  Procedures in Developing the State Plan 2

CHAPTER I - THE PRESENT STATUS OF HIGHER EDUCATION IN MICHIGAN. . . I- 5
  Status of the Institutions of Higher Education. . . . . I- 5
    Status of the Institutions Prior to 1963. . . . . I- 5
    Status of the Institutions After 1963 . . . . I- 6
  The State Board of Education. . . . . I- 7
    --Goal No. 1. . . . . I- 8
    --Goal No. 2. . . . . I- 8
  Higher Education Defined. . . . . I- 9
    Undergraduate Education . . . . I- 9
    Graduate and Professional Education . . . . I- 9
    Vocational-Technical Education. . . . . I- 9
  The Structure of Higher Education in Michigan I-10
    The Public Baccalaureate Institutions I-10
    The Public Community Colleges I-14
    The Private Baccalaureate and Other Postsecondary Institutions. I-15
    --Goal No. 3. . . . . I-15
    Proprietary Schools I-15
    --Goal No. 4. . . . . I-16
  Concluding Statement to Chapter I I-16

CHAPTER II - THE NEEDS FOR HIGHER EDUCATION AND TRAINING. II-17
  Enrollments in Higher Education II-17
    People Participating in Higher Education. II-17
    --Goal No. 5. . . . . II-20
    People Not Participating in Higher Education. II-20
    --Goal No. 6. . . . . II-21
  Society's Needs for People with Occupational Abilities and Skills II-21
    Need for People with Professional Training. II-22
    --Goal No. 7. . . . . II-22
    Need for People with Vocational Skills. II-22
    --Goal No. 8. . . . . II-25
  Admission of Students to the Institutions of Higher Education . . II-25
    --Goal No. 9. . . . . II-26
    --Goal No. 10 . . . . II-26
    --Goal No. 11 . . . . II-26
  Financial Assistance for Students II-27
    --Goal No. 12 . . . . II-27
    Student Financial Assistance Now Available. II-27
    --Goal No. 13 . . . . II-28
    --Goal No. 14 . . . . II-29
  Concluding Statement to Chapter II. II-29

TABLE OF CONTENT (continued)

Page

CHAPTER III - IMPLEMENTING A PROGRAM OF PLANNING AND COORDINATION OF HIGHER EDUCATION IN MICHIGAN. III-31
- Planning and Coordination of Educational Programs Among the Educational Institutions III-31
  - --Goal No. 15. . . . . III-32
  - Inventory of Existing Educational Programs III-32
  - Program Review Procedure for Public Institutions III-33
  - Continuing Education Programs. III-34
  - --Goal No. 16. . . . . III-34
- Coordination of Vocational-Technical Programs At the Secondary and Postsecondary Levels. III-34
  - Programs Designed to Extend Beyond a Single Community College District III-34
  - --Goal No. 17. . . . . III-35
  - Educational Programs of Secondary Area Vocational Schools. . . III-35
  - --Goal No. 18. . . . . III-35
  - --Goal No. 19. . . . . III-35
- Cooperative Educational Programs III-36
  - Planning of Regional Programs With Neighboring States. III-36
  - Conducting Research and Public Services. III-36
  - Educational Programs in Cooperation With Private Industry. . . III-37
  - --Goal No. 20. . . . . III-37
- Planning and Coordinating Growth and Expansion of Physical Facilities III-37
  - The Size of Educational Institutions III-38
  - --Goal No. 21. . . . . III-38
  - Branch Campuses of State Baccalaureate Institutions. III-38
  - --Goal No. 22. . . . . III-39
  - The Establishment of New Public Baccalaureate Institutions . . III-39
  - --Goal No. 23. . . . . III-40
  - Need for Additional Community College Districts. III-40
  - --Goal No. 24. . . . . III-40
  - --Goal No. 25. . . . . III-40
  - Residence Halls at Community Colleges. III-40
  - --Goal No. 26. . . . . III-41
  - A Community College Should Not Become a Public Baccalaureate Institution. III-41
  - --Goal No. 27. . . . . III-41
- Concluding Statement to Chapter III. III-41

CHAPTER IV - ADVISING CONCERNING THE FINANCIAL REQUIREMENTS OF PUBLIC HIGHER EDUCATION. IV-43
- Operating Costs - Public Baccalaureate Institutions. IV-43
  - Present Expenditures and Revenue IV-43
  - Tuition and Fees IV-44
  - --Goal No. 28. . . . . IV-47
  - Uniform Accounting and Reporting IV-47
  - --Goal No. 29. . . . . IV-47
  - --Goal No. 30. . . . . IV-48

TABLE OF CONTENT (continued)

Page

CHAPTER IV (continued)

Operating Costs - Public Community Colleges IV-48
Present Expenditures and Revenue. IV-48
--Goal No. 31 . . . . IV-48
Tuition and Fees. IV-51
--Goal No. 32 . . . . IV-51
Uniform Accounting and Reporting. IV-51
Projections of the Cost to the State of Operating the Baccalaureate Institutions and Community Colleges IV-53
--Goal No. 33 . . . . IV-57
Capital Costs - Public Institutions of Higher Education IV-57
Capital Costs to the State of the Public Baccalaureate Institutions IV-57
Capital Costs to the State of the Community Colleges. IV-57
--Goal No. 34 . . . . IV-57
Projections of Capital Costs to the State of Public Higher Education Institutions. IV-59
--Goal No. 35 . . . . IV-63
Concluding Statement to Chapter IV. IV-63

A CLOSING STATEMENT 65

TABLES

CHAPTER II:

Table 1 - Credit Enrollment Projections in Michigan Institutions of Higher Education. II-19
Table 2 - Projected Employment by Occupational Groups, and Computed annual Rate of Change-Michigan 1960-80. . . . II-23
Table 3 - A Sample of Vocational-Technical Programs Offered At Public Community and Junior Colleges. II-24

CHAPTER IV:

Table 1 - Revenues for Operations by Fund 1966-67, Public Baccalaureate Colleges and Universities. IV-45
Table 2 - Total Expenditures for Operations by Purpose, Baccalaureate Colleges and Universities, 1966-67 . . . IV-46
Table 3 - Definition for Counting Students in Institutions of Higher Education. IV-49
Table 4 - Michigan Public Community Colleges Sources of Operating Revenue IV-50
Table 5 - Operating Expenditures 1966-67, Public Community Colleges IV-52
Table 6 - Projections of State Appropriations for Operating Budgets, State-Supported Baccalaureate Institutions, 1970-71, 1975-76 . . . . IV-55
Table 7 - Projections of State Appropriations for Operating Budgets, Public Community Colleges, 1970-71, 1975-76. . . . . IV-56
Table 8 - Public Baccalaureate Colleges and Universities General Fund Capital Outlay Appropriations 1958-59 to 1967-68 . . . . IV-58

TABLES (continued)

Page

CHAPTER IV: (continued)
Table 9 - Public Community and Junior Colleges General Fund Capital Outlay Appropriations 1958-59 to 1967-68 . . IV-58
Table 10 - Projections of Capital Requirements, Public Baccalaureate Colleges and Universities 1970 and 1975 . . IV-61
Table 11 - Projections of Capital Requirements, Public Community Colleges, 1970 and 1975. . . . . IV-62

APPENDIX TABLES

APPENDIX B:
Table 1-B Head-Count and Full-Time Equated Enrollments in Michigan Institutions, Fall 1967 79
Table 2-B Degrees Conferred at Four-Year Public Institutions for 1965-66, 1966-67 80
Table 3-B Number of Degrees and Certificates Conferred by Michigan Community Colleges for 1967-68. 81
Table 4-B The Private Colleges and Universities of Michigan and Kinds of Degrees Awarded, 1966-67. 82

APPENDICES

APPENDIX A - STUDY AND ADVISORY COMMITTEES 69
Study Committee A - Study Steering and Advisory Committee. . . . 70
Study Committee B - Present and Future Needs for Postsecondary Education. 71
Study Committee C - Students Unable to Pay the Cost. 72
Study Committee D - Faculty Advisory and Study Committee 73
Study Committee E - Finance. 74
Citizens Advisory Committee for Higher Education 75

APPENDIX B - DEGREES AND CERTIFICATES AWARDED AT INSTITUTIONS OF HIGHER EDUCATION 77
APPENDIX C - ARTICLE VIII, MICHIGAN STATE CONSTITUTION OF 1963 . . 85
APPENDIX D - ATTORNEY GENERAL OPINION RE AUTHORITY OF STATE BOARD OF EDUCATION. 91

AN OPENING STATEMENT

The 1963 revision of the Michigan State Constitution established a new State Board of Education and, in doing so, gave it added responsibilities pertaining to higher education. It is in response to this constitutional directive from the citizens of Michigan that the State Board of Education has prepared this state plan for higher education in Michigan. There may be some persons who will feel that this document does not go far enough in detailing the role and responsibility of the State Board of Education. Others will argue that it goes too far in outlining the general planning and coordinating responsibility of the State Board as prescribed in the Constitution. The State Board of Education has prepared this State Plan in the context of the conditions of the day and within the present framework of state government as it relates to higher education.

HIGHER EDUCATION IN THE LAST HALF OF THE 20th CENTURY

It is no accident that higher education has become the principal "growth industry" of the United States. As recently as 1953, there were only two and one-quarter million students enrolled for credit in the nation's colleges and universities. Today there are almost seven million. During the years 1963-67, enrollments in Michigan institutions of higher education increased 50 percent -- from 208,210 to 317,466. The remarkable explosion of knowledge, the unprecedented requirements of a technological society, and the enhanced aspirations of citizens, young and old, for broadening their skills and cultural horizons contribute to such enrollment increases.

Specifically, the rapid enrollment increases are related to (1) the high birth rates of the late 1940's and the 1950's, (2) an increasing proportion of youth completing high school and seeking postsecondary education, (3) an increasing number of adults seeking additional education in order to improve their vocational skills and expand their cultural horizons, and (4) dramatic increases in the number of students seeking graduate and professional education.

Higher education constitutes a "blue-chip" investment in the future well-being of the state and the nation. It is generally recognized that much of the increase in the gross national product results from the technological improvements in production and the greater skill of the total work force. The cultural, social, economic, and industrial advancement of the state and its people is becoming more and more vitally linked with the services of the institutions of higher education. These institutions are indeed the fountains of new knowledge, fundamental to the growth and progress of society. Even more important, they form the supporting base for the maintenance of our democratic way of life.

As higher education has become more extensive and complex, it has become more costly. Instead of relatively limited program needs, modern higher education must encompass areas not considered a decade or two ago. As research and the geographical expansion of our economic involvements open up more and more challenging areas, educational programs must be developed and supported to supply the trained manpower to serve the new areas.

It is for these reasons--increasing demands and increasing costs--that the need for an overall plan for higher education planning and coordination was viewed as necessary at this time.

PROCEDURES IN DEVELOPING THE STATE PLAN

Michigan higher education has been subjected to a great deal of study during the past two decades, from which nearly all of the basic problems and issues pertaining to higher education have been identified.[1] What is needed now is action.

The process by which this document was prepared has been through the use of committees composed of a large number of people, people from the institutions of higher education, people from concerned departments of state, and representative citizens interested in higher education. These committee members devoted many hours and study toward the preparation of this Plan.

The document, therefore, is the product of many minds and a compilation of many ideas. It is the result of a broad partnership of those who have great concern for higher education. The document was developed in contemplation of a continuation of this partnership in the Plan's implementation phase and in such revisions as it will, from time to time, need to undergo. The partners with the State Board of Education are, of course, the educational institutions, the citizens of the state, the executive branch of state government, and the Legislature. The State Board of Education will make every effort to establish and maintain direct communication with all of these groups.

Because of their direct responsibility, the higher education institutions are particularly concerned members of the partnership. This makes it very important that the channels of communication between the State Board of Education and the institutions of higher education and their official bodies be open at all times. Communication between the Board and the institutions will be carried on directly and indirectly, but the State Board of Education may decide that a standing advisory committee, composed of presidents representing the public baccalaureate institutions and community colleges and the private colleges, is an appropriate means of maintaining communication.

---

[1] Some of the more important studies are the following:

Some Criteria for the Establishment of Community Colleges with Reference to Michigan, 1952. Russell F. Fink, Doctoral Dissertation.

Report of the Subcommittee on Community Colleges, 1955. Michigan Commission on Education Policies.

Final Report to the Governor, 1958. Michigan Junior and Community College Study Commission.

Higher Education in Michigan, the Michigan Legislative Study Committee on Higher Education, 1958. John Dale Russell, et al. Final Report and 12 Staff Studies.

Report of the Advisory Committee on University Branches, 1964. Michigan Coordinating Council for Public Higher Education.

Report of Citizens Committee on Higher Education, 1965. Harold T. Smith, Executive Director.

In addition, the Board may establish, from time to time, such other committees from the educational institutions as may be required to advise it on specific areas of concern relevant to state planning and coordination of higher education. Such committees may include representation from chief academic officers, chief financial officers, institutional faculties, and institutional student bodies, but will not be confined to such, and may, indeed, be structured along subject-matter or problem-oriented lines rather than in accordance with institutional roles.

Citizens of the state are vitally interested members of the partnership. They are interested in higher education because of its impact upon our culture, our socio-economic structure, and upon our youth. Furthermore, they pay, directly and indirectly, much of the cost of higher education. And, in the end, they have the final word as to how higher education shall be conducted. Good communication, therefore, between the State Board of Education and citizens is very important. Much of such communication will take place through the news media of the state, but direct communication of ideas and attitudes in the early stages of planning important projects may be very essential to public understanding and also to executive and legislative acceptance of State Board recommendations.

The State Board of Education, therefore, will develop a communication system that will include representative citizens interested in higher education. The system will need to provide for two-way communication; that is, an avenue through which the Board may present preliminary ideas and plans for citizens' reactions and suggestions, and an avenue through which citizens may communicate their ideas and concerns directly to the Board.

Communication between the State Board of Education, the Governor, other executive officers of the state, and especially the Legislature, will be encouraged and, of course, take place through the regular channels of state government.

In summary, the State Board of Education wishes to acknowledge, with gratitude, the many hours spent by the various committees (listed in Appendix A), the officers of the state, and others who gave liberally of their time and counsel in the preparation of this document. It wishes to acknowledge also the very fine work done by the many members of its staff in the preparation of this document.

Particular expressions of appreciation must be extended to Dr. Harold T. Smith and his staff, on assignment from the W. E. Upjohn Institute for Employment Research, who directed the work that has resulted in the preparation of this document. The State Board will always be grateful to Dr. Smith for his many contributions to the development of a better coordinated higher education system in Michigan.

CHAPTER I

THE PRESENT STATUS OF HIGHER EDUCATION IN MICHIGAN

The Michigan Constitution of 1963, Article VIII, Sections 3-7 outlined the present status of higher education, including the role of the State Board of Education, and the expressed powers of the several governing boards of institutions of higher education.[1]

Planning for the growth and development of higher education in Michigan under provisions of the 1963 Constitution is, by its very nature, a continuous and evolutionary process carried on in cooperation with the institutions of higher education and other interested groups. No plan, regardless of how well it is conceived, can be considered permanent in the face of constant changes in the needs of society and the changing contributions that higher education can make toward meeting those needs. A recognition of this fact has led to the concept of cooperative and continuous planning for the future development of higher education in Michigan, rather than the development of a single fixed plan.

STATUS OF THE INSTITUTIONS OF HIGHER EDUCATION

The development of a planning process is done best in terms of specific problems and possible solutions for them. Such an approach should add realism both to the planning process and to the plans evolved, and should begin with the existing status of higher education.

Status of the Institutions Prior to 1963

In keeping with the spirit that underlay the Act of 1817, Michigan has placed great faith in public higher education and the integrity of its institutions.[2] From the beginning, the management and operation of the University of Michigan was vested in its governing board, and the State Constitution of 1850 provided that the responsibility and authority of the board should be independent of the authority of the Legislature. Except for the necessity of securing financial support from the Legislature, the powers of the governing board to supervise the affairs of the university and otherwise to determine its destiny were comprehensive. The governing board was entirely responsible for the expenditure of the university's funds and was not required to make a financial report to the state.

Michigan State University was provided a comparable autonomous board of control in the Constitution of 1908. In 1959, Wayne State University was provided, by constitutional amendment, with a governing board having similar responsibilities and freedom of action.

---

[1] See text of Article VIII in Appendix C.

[2] Michigan Historical Magazine, Vol. XII, 1928. pp. 652-654.

The remaining public institutions of higher education, founded during the last half of the nineteenth century and the first half of the twentieth century, were established for special purposes and were placed under more restricted control. Four of them -- Eastern, Central, Northern and Western -- were governed by the State Board of Education. Two institutions, Michigan Technological University and Ferris State College, were provided with their own boards of control, which had certain specific limitations. The State Board of Education, prior to the 1963 Constitution, was not charged with overall planning and coordinating responsibilities.

The State Superintendent of Public Instruction, who served as secretary to the State Board, which governed the four teacher education institutions, was also an ex-officio member of the governing boards of all of the public-supported baccalaureate institutions of higher education.[3] Under the provisions of Act 188 of the Public Acts of 1955, the community colleges were under the general supervision of the State Superintendent of Public Instruction.[4] The Superintendent was also responsible for the approval and triennial inspection of private colleges and universities.[5]

Through the foregoing direct relationships with the colleges and universities of the state, the State Superintendent of Public Instruction, prior to 1963, was afforded the opportunity to serve, in a limited way, as the state agent for coordinating higher education.

Status of the Institutions After 1963

When the State Constitution was revised in 1963, it was provided that the existing public four-year baccalaureate institutions of higher education and others that may be established in the future shall have their own governing boards which shall have general supervision of their respective institutions and the control and direction of all expenditures from their institutions' funds.[6] The members of new governing boards under provision of the new Constitution are appointed by the Governor, while the members of the boards of the University of Michigan, Michigan State University, and Wayne State University continue to be elected by the people of the state. The expressed powers and responsibilities of all boards, however, are the same.[7]

---

[3] Constitution of the State of Michigan, 1908, Article XI, Michigan Manual.

[4] General School Laws, 1966. "Community College Districts" Act 188, Public Acts of 1955, pp. 803-804 (390.871-390.873).

[5] ibid. "Standards for Approving Educational Institutions" Act 327, Public Acts of 1931, pp. 941-945 (450.170-450.177).
ibid. "Incorporated Privately Operated Institutions" Act 327, Public Acts of 1931, pp. 941-945 (450.170-450.177).
ibid. "Unincorporated Privately Operated Institutions" Act 142, Public Acts of 1964, p. 801 (390.771-390.772).

[6] Constitution of the State of Michigan, 1963, Article VIII, Sections 5 and 6.

[7] Constitution of the State of Michigan, 1963, Article VIII, Sections 3, 4, 5, and 6.

The 1963 Constitution stipulates another provision of considerable importance, namely, that the Legislature shall be given an annual accounting of all income and expenditures by each of the public educational institutions.[8] The new Constitution also stipulates that the Legislature shall provide by law for the establishment and financial support of public community and junior colleges, which shall be supervised and controlled by locally elected boards.[9] The first community colleges (or junior colleges) were departments of public school districts and were governed by the boards of those school districts. Six, established before 1957, are still so governed. The rest have separate community college districts and are governed by their own locally elected boards.

The private colleges are governed by their own boards of control as provided by their charters, but they come under the provisions of the Educational Corporations Act.[10]

THE STATE BOARD OF EDUCATION

In creating the new State Board of Education, the 1963 Constitution prescribed that the Board "shall serve as the general planning and coordinating body for all public education, including higher education, and shall advise the Legislature as to the financial requirements in connection therewith." Furthermore, the State Board shall provide leadership and general supervision over all public education, including adult educational and instructional programs in public community colleges, but not in public baccalaureate institutions.[11] In addition, the 1963 Constitution stipulates that "the Legislature shall provide by law for a State Board for Public Community and Junior Colleges, which shall advise the State Board of Education concerning general supervision and planning for such colleges and requests for annual appropriations for their support."[12]

The State Board of Education also inherited by statute those responsibilities for higher education formerly vested in the State Superintendent of Public Instruction[13] and the former State Board of Education,[14] and not superseded by the provisions of the new Constitution. In addition, the Higher Education Facilities Commission and the Higher Education Assistance Authority were transferred to the State Board of Education under Act 380 of the Public Acts of 1965.[15]

---

[8] ibid. Article VIII, Section 4.

[9] ibid. Article VIII, Section 7.

[10] Educational Corporations Act of 1931.

[11] Constitution of the State of Michigan, 1963, Article VIII, Section 7.

[12] ibid. Article VIII, Section 7.

[13] General School Laws, 1966. "The Superintendent of Public Instruction" pp. 77-84 (340.251-340.272).

[14] ibid. "The State Board of Education" Act 287, Public Acts of 1964 (effective August 28, 1964), pp. 691-694 (388.1001-388.1017).

[15] ibid. "Transfer of Existing Boards and Commissions" Act 380, Public Acts of 1965 (effective November 15, 1965), p. 324 (16.407-16.408).

1. Thus the role of the State Board of Education as the principal agent for general state planning and coordination is clear, and in this capacity it is the duty of the State Board of Education to plan for and encourage the orderly development of a comprehensive state system of education beyond the secondary level that will effectively and efficiently serve all the needs of the state.

In order to carry out this responsibility successfully, the State Board has found it necessary to study carefully the state's higher education needs for both the present and the future, and to see that plans are made for meeting those needs. Once a need or combination of needs is identified, it becomes necessary to determine, in cooperation with the institutions of higher education, the academic level at which it may best be met and the institutions in which the needed programs may best be offered.

2. As an initial step in carrying out its constitutional mandate, it is the responsibility of the State Board of Education to assemble information concerning the existing educational pattern of each public baccalaureate institution and community college in terms of its recognized educational responsibilities and the scope of its services and offerings.

The State Board of Education has certain jurisdictional authority over the private colleges and universities after they are established. The State Board is charged to make sure that they operate according to their respective charters and maintain quality instruction. It is to this end that the Board is required by law to inspect each private institution not less often than once every three years. As a result, the State Board will request the private colleges and universities to file information concerning their existing educational patterns.

The State Board of Education, with its responsibilities to (a) serve as the general planning and coordinating body for all public education, (b) advise the Legislature concerning the financial requirements in connection therewith, (c) provide leadership and supervision over community colleges, with the aid of its advisory board for public community and junior colleges, (d) review the operations of each private institution, in light of its charter, not less often than once every three years, and (e) promote cooperative relationships with the licensing and supervising agencies of the proprietary schools, is necessarily involved with six other groups in the implementation of state planning for higher education. They are:

1. The Governor, with his executive responsibilities for state expenditures and budget recommendations.
2. The Legislature, with its responsibility for appropriating moneys to maintain the public educational institutions.
3. The governing boards of the public baccalaureate institutions, with their responsibilities for general supervision of their institutions and the control and direction of all expenditures from their institutions' funds.
4. The boards of trustees of public community colleges, with their responsibilities for supervising and controlling their institutions.

5. The governing boards of the private colleges and universities, with their responsibilities, as provided in their respective charters, for the operation of their institutions.

6. The state agencies licensing and supervising the proprietary schools.

HIGHER EDUCATION DEFINED

For the purpose of general planning, higher education must include all postsecondary education. Under this broad definition, higher education consists of three large areas:

--College and university undergraduate education.
--Graduate and professional work beyond the undergraduate level.
--The broad area of vocational-technical education leading to skills or technical abilities.

Undergraduate Education

Undergraduate education includes all of the usual cultural, preprofessional, and even some professional courses leading to various baccalaureate degrees. It includes, also, the large area of postsecondary adult education and continuing education which is comparable to degree work but does not have reference to a degree.

Graduate and Professional Education

Graduate and professional education encompasses all education above or beyond the undergraduate level. It differs from undergraduate education not only in level but in kind. It prepares students with advanced professional competence and highly developed skills needed by the present day socio-economic order; and it may include learning by individual study and research, undertaken as a partnership between faculty and student.

Graduate and professional education was once the province and the desire of a limited number of students and relatively few institutions. Today, in order to provide the educational programs needed by students and society, more and more institutions are offering graduate work and providing for individual scholarship and research as their levels of operation permit. Society's needs for graduate and professional education will be even greater in the years ahead.

Vocational-Technical Education

Vocational-technical education is a fast-growing sector of higher education. It is made up of occupational, vocational-technical, and apprentice programs taught primarily in community colleges, proprietary schools, and certain baccalaureate institutions where they usually do not lead to a baccalaureate degree. There is every indication that a great need exists to expand, substantially, this sector of higher education. Probably, many persons not now getting any postsecondary education and many others who now look for their education in the baccalaureate institutions will, in the future, enroll in programs offered in the vocational-technical sector of higher education.

THE STRUCTURE OF HIGHER EDUCATION IN MICHIGAN

Effective state planning of higher education requires that all post-secondary educational institutions be taken into consideration. In the Fall of 1967, there were in Michigan, 95 colleges and universities and approximately 400 proprietary schools. The 95 colleges and universities consist of:

1. Eleven public-supported baccalaureate institutions, with four branches and numerous extension and continuing education centers.
2. Twenty-eight public-supported community and junior colleges.
3. Fifty-six two-year and four-year private institutions.

Appendix B provides more detail on the 95 colleges and universities.

The Public Baccalaureate Institutions

Michigan's strong commitment to public higher education stems from the Act of 1817, adopted by the governors and judges of the Territory of Michigan. The Act provided for the Catholepistemiad, or University of Michigania--a system of education, rather than a single institution, broad enough to cover the whole scope of human knowledge as it was then understood.

In keeping with this spirit, the Act has been considered to embody three important principles:

1. "That is is the responsibility of the state to provide for its citizens a complete system of education."
2. "The principle of tax support for such an educational system."
3. "The guarantee that education shall be available at low cost and that, in any event, no person shall be deprived of education because of poverty."[16]

Modern tuition fees, ten dollars a quarter for "classical instruction," were established in the act, and it was provided that, "if the judges of a county court should certify that any person lacked adequate means to defray the expense of suitable instruction," the tuition would be paid by the state of Michigan.[17] It was in this spirit that public higher education developed in Michigan as rapidly as population and economic growth permitted.

---

[16] Willis F. Dunbar, The Michigan Record in Higher Education, Wayne State University Press, Detroit, 1963, pp. 26-27

[17] Willis F. Dunbar, The Michigan Record in Higher Education, Wayne State University Press, Detroit, 1963, p. 26.

The eleven public baccalaureate institutions were established at different times, in different locations, and for different purposes with the result that there exists a considerable division of educational responsibility and academic specialization among them. Each institution has assumed or is assuming a unique place in the total state system of higher education.[18]

The following is a brief review of the scope of the eleven institutions in order of establishment, except that the former teacher education institutions are reviewed together.

University of Michigan, located at Ann Arbor, traces its origin directly to the Act of 1817. It is the state's most comprehensive undergraduate and graduate-professional university. The university recently was offering doctoral level programs in 77 fields. It awards the master's degree and other intermediate degrees in many fields, and first-professional degrees in dentistry, law, and medicine.

The University of Michigan operates two branch campuses, one at Flint and the other at Dearborn in the Detroit metropolitan area. The Flint branch, known as Flint College, offers a four-year program, located on the campus of the Flint Community Junior College. The Dearborn campus is operated as a senior college offering the junior and senior years of academic work. These two branches are integral parts of the University of Michigan in that their budgets are not separated; they are administered primarily from the main campus and their degrees are awarded by the university.

FORMER TEACHER EDUCATION INSTITUTIONS. The first teacher education institution in Michigan was Eastern Michigan University, established in 1849. Three more teacher education institutions were established near the turn of the century: Central Michigan University in 1892, Northern Michigan University in 1899, and Western Michigan University in 1903. All four began as normal schools, later became state teachers colleges, and within the past two decades have attained the legal status of universities.[19] All four have retained an emphasis on teacher education, but they have expanded their areas of undergraduate instruction to include the liberal arts, the fine and applied arts, the physical sciences, the social sciences, and business administration. All offer graduate work leading to the master's degree in education and in selected academic disciplines. Three--Central, Eastern, and Western--offer work leading to the specialist degree in education and a limited number of other disciplines of special strength. The locations of the four institutions have a bearing on the character of the educational programs offered.

Eastern Michigan University is located at Ypsilanti, within commuting distance of much of metropolitan Detroit. It serves a large population area, and it is in a position to offer programs cooperatively or to share programs with the University of Michigan and Wayne State University.

---

[18] A Report on the Program Offerings and Roles of Michigan Colleges and Universities, Volume I and II, Michigan Department of Education. July, 1968.

[19] "Normal schools" was the name given to the early colleges of teacher education whose programs usually included only two years of post-secondary education.

Central Michigan University, located at Mount Pleasant, serves the central and northern portions of the lower peninsula, and also draws from wider areas.

Northern Michigan University is located at Marquette in the northern central part of the upper peninsula. It, too, is drawing students from other areas. Northern, in the absence of community colleges in its immediate territory, provides a number of terminal occupational programs in addition to its baccalaureate programs.

Western Michigan University is located at Kalamazoo in the southwestern part of the state. In addition to serving this populous territory, Western draws from the rest of the state and from beyond the state, as do the other institutions. The State Board of Education has recently recommended that funds be appropriated to implement doctoral programs in chemistry, sociology, and education (including educational leadership, special education, and science education) at Western.

Michigan State University was founded at East Lansing in 1855 as an institution for the furtherance of the agricultural and mechanical arts. It later became the nation's first land-grant college, and pioneered in developing a broad undergraduate program.

As a university, Michigan State has become Michigan's second most comprehensive undergraduate and graduate-professional institution. It recently was offering educational programs leading to the doctorate in 62 fields. It awards the master's degree and other intermediate degrees in many fields and the first-professional degree in veterinary medicine. The State Board of Education has recently recommended that state funds be appropriated to Michigan State to develop a four-year medical school, of which the first two years are already in operation.

Michigan State University operates a branch at Rochester, in the Detroit metropolitan area, known as Oakland University, which offers a four-year college program. Oakland has been granted considerable autonomy from the main campus, and has its own administration, operates with a separate budget, awards its own degrees, and conducts its own commencement exercises.

Michigan Technological University was founded in 1885 at Houghton, the center of the copper country in the upper peninsula. It was founded as a technological institution in response to the state's concern for mining and technology. It was given university status in 1964. As a general technological university, it offers undergraduate work in selected sciences, engineering, and related fields, and postgraduate work leading to the master of science degree in most of these fields. Although the institution offers work at the doctorate level in four fields, it has not yet awarded a doctoral degree. Michigan Technological University is drawing a substantial number of students from beyond its immediate territory because of its special educational offerings.

Following World War II, Michigan Technological University established a branch campus at Sault Ste. Marie, presently known as Lake Superior State College. Although it is a branch of Michigan Technological University, Lake Superior State College offers a general purpose educational program rather than a technological program. It is being developed to offer the

Sault Ste. Marie area a four-year baccalaureate educational program and such terminal and occupational programs as, in the absence of a community college, the area needs. On October 26, 1966, the State Board of Education and the Board of Control of Michigan Technological University reached an agreement on steps that should be taken to establish Lake Superior State College as an autonomous four-year public-supported college. This agreement was reached following reports of a citizens' committee appointed to study the postsecondary needs of the eastern portion of the Upper Peninsula.[20, 21] Plans are now being made by the Board of Control of Michigan Technological University to request legislative action that will make the college a separate autonomous institution within the course of a few years.

Wayne State University is Michigan's principal metropolitan university. In 1934, the city of Detroit combined several specialized schools, one of which was a medical college established in 1868, into a municipal institution called Wayne University. In the early 1940's the state began appropriating funds to Wayne University and in 1956 chartered it as Wayne State University and placed it under initial state support.

Wayne is presently a complex and comprehensive university serving a large metropolitan area. Although it continues to provide many services for the Detroit metropolitan area, it has become a general purpose university and is recognized for its graduate and graduate-professional work. Wayne is now offering educational programs leading to the doctorate in 28 academic fields. It awards the master's degree and other intermediate degrees in a substantial number of fields and first-professional degrees in law and medicine.

Ferris State College, located at Big Rapids, had its origin as a private institution known as Ferris Institute. It became a state-supported institution in 1949 and in 1962 was renamed Ferris State College. When Ferris became a state college, it was agreed that it should retain its interest in terminal occupational programs, which it has done. Ferris State College is now an undergraduate, baccalaureate institution with a dual purpose: to offer undergraduate programs that are needed by its students and lead to a baccalaureate degree, and to offer terminal or sub-baccalaureate programs for occupationally oriented students. It is expanding in both areas.

Grand Valley State College, established near Grand Rapids in 1961, and Saginaw Valley College, established in 1965 to serve the Saginaw Valley area, are two new undergraduate institutions designed to provide better regional coverage in the state. They are intended to provide undergraduate baccalaureate programs in response to the needs of their population areas, but they are not limited to enrolling students from these areas, and in time the area concept will undoubtedly disappear

---

[20] The Future of the Sault Branch of the Michigan Technological University, A Report to the State Board of Education by the Advisory Committee, May, 1966.

[21] Post-Secondary Education in the Eastern Upper Peninsula, A Report to the Advisory Committee on the Sault Ste. Marie Branch of the Michigan Technological University, May, 1966.

as it has with other state-supported baccalaureate institutions in the state.

The Public Community Colleges

The first public-supported two-year college in Michigan was Grand Rapids Junior College, established in 1914 as a part of the school district of Grand Rapids. Eight more such colleges were established prior to 1940. The earlier junior colleges, as the word "junior" indicates, were primarily interested in college-bound student and offered the first two years of regular college work for transfer to baccalaureate institutions.

Since World War II, nineteen community colleges have come into being. The comprehensive community college, which has developed since the War, is designed to meet the educational needs of all of the people of its community and therefore offers a multipurpose educational program. Community colleges are being established through local initiative. It is envisioned that the entire state will be served by such institutions in the near future. A comprehensive community college is expected to do the following:

1. Provide the first two years of college work for those desiring, and able, to transfer to four-year colleges and universities.
2. Provide the occupational, educational, and training programs needed by the youth and adults of the community, and by the larger society.
3. Provide general cultural education programs and community services intended to contribute to the cultural and economic welfare of the community.
4. Provide guidance and counseling services to assist youth and adults to fit themselves better into an increasingly complex technological society.

Michigan does not have state-supported postsecondary vocational-technical schools, and it is counting upon the comprehensive community college to serve as the pivotal institution for providing vocational-technical education at the postsecondary level. Under some circumstances community colleges may also be involved in vocational education at the secondary level, since it is intended that vocational education at the secondary level should be coordinated with vocational-technical education at the postsecondary level in such a way as to avoid unnecessary duplication of programs and facilities.

The community colleges of Michigan, in general, are endeavoring to meet the vocational education needs as well as the college transfer needs of their communities. The State Board has compiled a separate report on the role and program offerings of community colleges.

The Private Baccalaureate and Other Postsecondary Institutions

The first private colleges were established early in the nineteenth century as a part of the Protestant missionary movement of that time. Kalamazoo College was chartered in 1833, Albion College in 1835, and Olivet College and Hillsdale College in 1844. The University of Detroit, incorporated in 1881 under the name of Detroit College, is the oldest of the Catholic institutions. Private colleges have continued to be chartered through the years, one as late as 1966. Some of them have maintained strong church ties, while others have retained more nominal ones. A number of them, particularly those established more recently, have had no church affiliation.

The private colleges vary considerably in their scope and function and offer degrees by highest level as reported in a recent State Board study.[22] Only one (University of Detroit) offers the doctoral degree.

The 56 private colleges and universities of Michigan have a recognized role in the state's system of higher education. Together, they enroll almost a sixth of all students, and they add important elements of diversity and strength to the college and university opportunities available to the youth of the state. American society has long been committed to the premise that the dual public-private system of higher education is beneficial. The State Board of Education, therefore, has included in its Plan a number of proposals designed to strengthen private higher education, and it expects to seek additional methods by which the private institutions can properly be assisted. One such measure, which could be considered, relates to the possibility of developing a plan for providing educational services to the state through contractual arrangements with private institutions of higher education.

3. *The State Board of Education also expects to seek additional methods by which the private institutions can be properly assisted. Therefore, the State Board reaffirms its support for private higher education and will seek to foster its welfare and development by appropriate measures, consistent with constitutional and statutory provisions and sound public policy.*

Proprietary Schools

There were 400 proprietary schools licensed or approved in Michigan in the Spring of 1967, enrolling some 33,000 students as follows:

Field of Speciality	Number of Schools
Aviation Schools	77
Barbering Schools	8
Cosmetology Schools	170
Nursing Schools	29
Private Trade Schools	116

---

[22] A Report on the Program Offerings and Roles of Michigan Colleges and Universities, Volumes I and II, Michigan Department of Education, July, 1968.

Many of these schools offer established training programs that provide service to a special clientele. Others, particularly those offering training in certain trades, count upon their flexibility and maneuverability to enable them to meet new needs when they arise. In accordance with the above listing, the proprietary schools are licensed and supervised by the State Boards of Aeronautics, Barbering, Cosmetology, and Nursing. Private trade schools are under the control and supervision of the State Board of Education.

4. *Because of the increasing demands for greater numbers of technically trained people and the rapidly increasing number of vocational-technical programs in community colleges, it is the intent of the State Board of Education, in cooperation with the four other state agencies responsible for the supervision of proprietary schools, to develop administrative relationships to coordinate the program developments of proprietary schools as part of the overall system of higher education.*

A CONCLUDING STATEMENT TO CHAPTER I

It is within the foregoing educational framework that an effective planning and coordinating program for the future development of higher education is being devised. The present structure is the starting point from which higher education must continually evolve into a better and more efficient state system.

The implementation of the process by which such evolution should take place is the subject of the following three chapters. Chapter II discusses the needs of people for higher education and training, Chapter III focuses upon the State Board plan for implementing a program of planning and coordination, and Chapter IV addresses itself to the information and standards necessary to advise adequately concerning the financial requirements of higher education.

CHAPTER II

THE NEEDS FOR HIGHER EDUCATION AND TRAINING

"Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."[1]

The needs for postsecondary education and training in Michigan must be observed from two points of view:

1. The needs of people for personal development, and occupational abilities and skills.
2. The needs of society for people with social and cultural depth, and occupational abilities and skills.

ENROLLMENTS IN HIGHER EDUCATION

In the Fall of 1967, there were 317,466 headcount students (degree-credit plus nondegree-credit students) enrolled in all educational programs of the two-year and four-year colleges and universities of the state as follows:[2]

All institutions	317,466
Public baccalaureate	187,565
Public community colleges	78,660
Private	51,241

These enrollments are much greater than a decade ago and will continue to increase. In addition, there are thousands of other persons being provided postsecondary training programs by industry and proprietary schools. Therefore, an important task of the State Board of Education is the determination of the projected number of persons who will enroll in institutions of postsecondary and higher education.

People Participating in Higher Education

A projection of the number of people enrolling in higher education institutions in the years ahead is necessarily based on some very important assumptions. They are as follows:

Assumption No. 1. Business and industry will continue to become more complex and will seek more and more people who have some kind of higher education.

---

[1] Constitution of the State of Michigan, 1963, Article VIII, Section 1; also embodied in the Ordinance of 1787.

[2] U.S.O.E. Opening Fall Enrollments in Higher Education, U. S. Department of Health, Education, and Welfare, 1968.

Assumption No. 2. Higher education should be available to every Michigan resident to pursue to the extent of his ability and interest.

Assumption No. 3. Advanced educational programs will continue to expand, thus increasing the demand for graduate and professional programs.

Assumption No. 4. The normal increase in the college-going rate will be influenced substantially if:

a. The state extends the community college system throughout the state and finances it adequately.

b. The state further stimulates the offering of more vocational-technical programs at the community colleges.

c. The state provides adequate student financial assistance to all worthy students enrolling in two-year and four-year institutions, including students taking vocational-technical courses and those on a part-time basis.

d. The state establishes one or more resident-commuter baccalaureate institutions in heavily populated areas.

The saturation point beyond which the portion of the population that goes to college will cease to increase is not known, but due to the present-day pressures upon people to acquire a higher education, it does not appear that the saturation point will have any retarding effect upon the college-going rate by 1970 or 1975, or even by 1980.

In spite of the variables inherent in altering projected enrollments, there are three solid bases upon which to make projections.

1. The people to be educated by 1980 are born and can be counted;

2. The portion of them who will want a higher education can be estimated with some degree of accuracy; and

3. A greater proportion of the people will seek a higher education.

It is in light of this information that enrollment projections for 1970, 1975, and 1980 are presented in Table 1. These projections are made on the basis of the population of college age, 17-24 years of age, and the percentage of that number of people of whatever age who were in higher education from 1963 to 1967 (fall credit enrollments).[3] Table 1 shows that all three groups of institutions have experienced increases in enrollments annually, but the distribution of total enrollments among the three groups is shifting from public baccalaureate institutions and private institutions to the community colleges.

---

[3] The year 1963 is used as the starting point because it is the first year for which the U.S. Office of Education (USOE) reports credit enrollments instead of degree-credit enrollments. Credit enrollments are more inclusive than degree-credit enrollments.

The 17-24 age group is used instead of the 18-24 age group because most of the census 17-year-olds who enter college do so the next fall, when many of them are 18. Including census 17-year-olds in the base causes the population projections to show a change in enrollments a year earlier than would normally be the case.

In the Fall of 1967, the community colleges enrolled 25 percent of all college students, and headcount enrollments in the community colleges, which include vocational-technical students, exceeded slightly the total enrollments of freshmen and sophomores in the public baccalaureate institutions. (Shown in Appendix B, page 77.)

This shift in enrollments as projected in Table 1 could permit the public baccalaureate institutions, particularly the graduate-professional institutions, to devote a greater portion of their resources to advanced instruction. Predominantly undergraduate institutions may be able to balance their enrollments of lower division and upper division students to a considerable extent through the admission of community college graduates.

Table 1
Credit Enrollment Projections in Michigan
Institutions of Higher Education

Based on 1963-67 Actual Enrollments
and 17-24 Age Groups

	Public 4-Year		Public 2-Year		Private		Total Enrollments	
Year	Number	Percent of Total Enrollment	Number	Percent of Total Enrollment	Number	Percent of Total Enrollment	Number	Ratio of Total Enrollment to # 17-24 Age Group
Actual*								
1963	128,228	61.6	38,692	18.6	41,290	19.8	208,210	.236
1964	143,822	61.6	46,557	20.0	43,146	18.5	233,525	.253
1965	166,782	61.6	57,363	21.2	46,773	17.3	270,918	.284
1966	176,331	59.6	69,504	23.5	50,070	16.9	295,905	.294
1967	187,565	59.1	78,660	24.8	51,241	16.1	317,466	.301
Projected**								
1970	228,800	57.6	109,200	27.5	59,200	14.9	397,300	.330
1975	298,200	55.1	175,900	32.5	67,100	12.4	541,200	.390
1980	344,100	53.6	227,900	35.5	70,000	10.9	642,000	.450

*Source: U.S.O.E., Opening Fall Enrollments in Higher Education, U.S. Department of Health, Education, and Welfare, 1960-66. In 1966-67, the full-time equated enrollments for the public four-year institutions equaled 90 percent of the Fall headcount on an FYES basis. For the public two-year colleges a comparable figure would be 71.9 percent, but on a FY-FTE basis. In the private institutions no equated figure is available but the ratio of part-time students to full-time students is one to three. Note however that such a figure does not equate a part-time student in terms of the number of course credits for which he is enrolled.

#Source: Based upon David Goldberg and Allen Schnaiberg, Michigan Population, 1960-80. Working Paper No. 1, State Resource Planning Division, April, 1966, P. 19. Although it has been the general practice to use the census age group of 18-24 year olds as the base for projecting college enrollments, census 17 year olds are included in the base here. This is because nearly half of the college freshmen, although they may enroll as 18 years of age, were included in the census 17 year age group. The omission of the 17 year olds from the base, therefore, will result in an underestimate of college freshmen when there is a bulge in the trend of the census 17 year olds, and an overestimate when there is a slump in the trend of the 17 year age group. If the census 18-24 age group had been used as a base in the table, the ratio of total enrollment to the age group would increase to 41 percent for 1970, 48 percent for 1975, and 54 percent for 1980.

**Assumptions: (see also Assumptions on p. 17)

1. The percentage of the total enrollment in the private colleges will decrease 0.5 per year until 1975, after which it will decrease 0.3 per year.
2. The percentage of the total enrollment in the public four-year colleges will decrease 0.5 per year until 1975, after which it will decrease 0.3 per year.
3. The percentage of the total enrollment in the community colleges will increase 1.0 per year until 1975, after which it will increase 0.6 per year.

5. Since revisions of long-range enrollment projections are necessary in determining the need for educational programs, space, and faculty, and because of the important variables affecting the college-going rate, it is the responsibility of the State Board of Education to maintain updated long-range projections of potential and probable student enrollments.

People Not Participating in Higher Education

Table 1 indicates that students of all ages in the two-year and four-year public and private colleges and universities of Michigan, in the fall of 1965, equaled 28 percent of the 17-24 age group, and if present assumptions are valid, they are projected to equal 39 percent of that age group by 1975, and 45 percent of the age group by 1980. Even though the projection is for almost half of the age group to be enrolled, a sizable number of youth do not continue their education beyond high school. In fact, 25 percent of the entering high school students in Michigan drop out before graduation.

The causes of failure to acquire needed education and training are as involved as the fabric of society itself, but they can be laid, in large measure, to economic conditions, racial discrimination, psychological factors, and other social circumstances. Massive steps need to be undertaken to overcome the disadvantages that have existed in the home and early social environment. The educational community must check the failures of youth to meet the successive crises involved in the process of growing up, and along with other agencies, must provide the disadvantaged individual with hope, inspiration, and motivation for staying in school and acquiring further education. Still remaining to be answered is the question of how many potential college students do not have an opportunity to attend college for some appropriate educational program or course of training.

6. *Therefore, the State Board of Education will continue to take the initiative and encourage the community colleges, public and private colleges and universities, and others involved with education and welfare of our youth to seek out and assist those who have the ability to do the required academic work but who, because of inadequate academic preparation or other reasons, are unable to meet the prescribed admission standards of the institutions.*

The ideal and ultimate solutions will have to be both preventive and remedial, and should be applied long before the postsecondary school period. But the problem at the higher education level will continue to be of great concern to the State Board of Education, and every higher education institution bears a responsibility to provide such formal and informal remedial measures as its students may require. Remedial measures are costly for the educational institutions, and additional financial support will be required if the colleges and universities are to be successful. However, in terms of long-range goals, the added assistance to these students should provide a great net savings to society.

SOCIETY'S NEEDS FOR PEOPLE WITH OCCUPATIONAL ABILITIES AND SKILLS

America's rapidly advancing technological and scientific surge has focused attention on the need for people with occupational abilities and skills, which to a large extent has overshadowed the urgent societal needs for persons with human values, moral fortitude, and a conscience for developing a better educated citizenry for living together in the Twenty-first Century. The colleges and universities have a major responsibility for educating students in regard to these societal needs as well as preparing enrollees with occupational abilities and skills. Although this section emphasizes the needs for people with professional and vocational skills, the State Board is deeply concerned that colleges and universities continue to realize the need for providing students with a liberal education.

Michigan is fortunate in having two recent studies of employment trends. One is the Michigan Manpower Study, an analysis of the characteristics of Michigan's labor force in the next 15 years,[4] and the other is Michigan Technical Needs Study, carried to 1970.[5]

The purpose of the two studies is to show probable trends in employment needs in Michigan rather than total numbers of people to be employed. The real value of the studies is that they indicate what are likely to be the trends in society's needs for people with different abilities and skills. The studies point out that the trend in employment in Michigan is shifting from the blue collar to the white collar occupations.

In 1960, according to the Michigan Manpower Study, the largest number of people, based upon a 12-classification format, were employed as operatives, craftsmen, clericals, professionals, and managers, in that order. It is projected that by 1980 the order will have changed to professionals, clericals, operatives, craftsmen, and service personnel, with the greatest average annual rate of increase in employment from 1960 to 1980 to be in the professional, service, clerical, managerial, and sales occupations, as indicated in Table 2.[6]

---

[4] Michigan Manpower Study, Battelle Memorial Institute, Columbus Ohio, 1966.

[5] Michigan Technical Needs Study, James D. Kelly, Director, September, 1967. Sponsored by Michigan Department of Commerce and Michigan Department of Education.

Need for People with Professional Training

The data in Table 2 indicate that the employment needs for trained people in the professions are expected to increase at an annual rate of 4 percent for the two decades, 1960 to 1980. The projected employment in specific professional occupations, according to the Manpower Study, indicates that the largest number of professional people employed in 1980 is expected to be in teaching, engineering, nursing, and advanced technical fields of various kinds, and that the most rapid increase in demand are expected to take place in these fields.

As a part of their program planning, the educational institutions should be constantly seeking information about changes in the needs for professional training.

7. *The State Board of Education also needs to be informed concerning changes in demands for persons trained for the professions, sciences, and technical fields of various kinds. Therefore, the State Board of Education will encourage and initiate studies of the needs of people for professional preparation in specific areas and exercise leadership in securing the necessary cooperation among the concerned departments of state and the higher education institutions in carrying out such studies.*

Need for People with Vocational Skills

Educational programs designed to provide training for semi-skilled and skilled jobs constitute a substantial portion of the offerings of most community colleges, nearly all of the offerings of the proprietary schools, and a significant portion of the offerings of some of the baccalaureate institutions. A sample of the kinds of vocational education programs being offered by community colleges appears in Table 3.

---

[6] The figures in Table 2 do not show total state employment in each occupational group, for the coverage by the Manpower Study was not that complete, and certain adjustments considered appropriate were made. The figures indicate trends in occupational employment and relativity. They help determine the occupations and skills for which people should be trained and when training should be contracted or expanded. They do not indicate how many people should be trained for specific occupations; the number of people needing training must determine that.

Table 2

Projected Employment by Occupational Groups, and Computed Annual Rate of Change - Michigan

1960-80

Occupation group	1960	1970	1980	Annual rate of change* 1960-80
Professional	312,590	454,200	685,100	4.0
Farm managers	60,074	38,900	28,600	-3.7
Managers	200,022	253,700	323,200	2.4
Clerical	379,592	500,000	675,000	2.9
Sales	202,416	237,500	285,700	1.7
Craftsmen	420,094	464,300	498,500	0.8
Operatives	606,417	631,300	631,200	0.2
Private household	58,651	60,700	61,800	0.3
Services	236,427	310,900	437,300	3.1
Farm labor	25,283	21,100	19,800	-1.2
Labor	109,273	121,500	134,000	1.0
Occupation not reported....	116,025	133,900	155,800	1.5
Occupation total	2,726,864	3,228,000	3,936,000	1.9

Source: Michigan Manpower Study. 1966.
*Computed from unrounded data.

Table 3
A Sample of Vocational-Technical Programs Offered at Public Community and Junior Colleges

Occupational Program Areas Offered by Public Community and Junior Colleges*

Business Occupations
- Accounting
- Business Data Processing
- Business and Commerce
- Marketing & Distributive Education
- Scientific Data Processing
- Secretarial

Health Occupations
- Dental Assistant
- Dental Hygiene
- Dental Laboratory Assistant (Technician)
- Medical or Biological Laboratory Technician
- Nursing, Practical
- Nursing, Associate Degree Program
- Occupational Therapy Assistant
- Other Health Service Programs (Inhalation Therapy, Nurse's Aide, Mental Health Safety)
- X-Ray Technology

Industrial & Mechanical Occupations
- Aeronautical Technology
- Architectural & Building Technology
- Chemical Technology
- Civil Technology
- Electrical and/or Electronics Technology
- Engineering, All Other Related Programs (Radio, Television, Concrete, etc.)
- Fine, Applied & Graphic Arts
- Industrial Technology
- Instrumentation Technology
- Mechanical Technology
- Metallurgical Technology

Public Service Occupations
- Agriculture
- Education (Teacher Aide)
- Forestry
- Home Economics

Apprentice Programs Offered by Public Community and Junior Colleges

- Aero Mechanic (Power Plant or Frame)
- Air Conditioning & Refrigeration Mechanic
- Auto Mechanic
- Auto Body Mechanic
- Automotive Machinist
- Bricklayer and/or Mason
- Carpenter
- Die Cast Maker
- Die Design
- Die Maker
- Die Sinker
- Die Repairman
- Draftsman and/or Designer
- Electrician
- Electric Motor Repairman
- Floor Layer
- Foundryman
- Glassblower
- Heat Treater
- Hydraulic Equipment Mechanic
- Instrument Repairman
- Ironworker
- Lithographer
- Machine Repairman
- Machinist
- Maintenance Machinist
- Mechanical Designer
- Metal Model Maker
- Metal Pattern Maker
- Millwright
- Moldmaker
- Painter & Decorator
- Pattern Model Maker
- Plumber and/or Pipefitter, Steamfitter
- Printer
- Radio & TV Repairman
- Sheet Metal Worker
- Stationary Engineer
- Tool Designer
- Tool & Die Maker
- Tool Grinder
- Toolmaker
- Toolmaker, Jig & Fixture
- Welding, Combination
- Wood Model Maker
- Wood Pattern Maker

Table 3 (Continued)

Occupational Program Areas Offered by Public Community and Junior Colleges*	Apprentice Programs Offered by Public Community and Junior Colleges
Public Service Occupations (con't.)	
Library Assistant or Aide	
Non-Science & Non-Engineering Related Programs (Hospitality Education, Food Service, Fire Science, Truck Driver Training, etc.)	
Police Technology or Law Enforcement	

*Within these thirty-two program areas, the community colleges have developed approximately two hundred program specialties, i.e., Secretarial Program Specialties; Legal Secretary, Medical Secretary, Executive Secretary, Typist, etc.

Source: Compiled from information submitted to the Bureau of Higher Education and Department of Vocational Education by the public community and junior colleges; as proposed program offerings for academic year 1967-68.

Information concerning the need for vocational training is essential for sound overall planning, wise curriculum building, and the intelligent guidance of students and adults. Such studies have always been made by the educational institutions as a part of their program planning, by interested departments of state, and by industry. The same leadership by the State Board of Education and the same cooperative effort by all concerned departments of state and the educational institutions must prevail in this area as in the area of professional education.

8. *There is continuous need for studies of society's demands and needs for people with vocational skills. Therefore, the State Board of Education will exercise leadership in promoting and encouraging continuous study of society's demands and needs for people trained in the various vocational and technical skills, and to initiate such studies in its own behalf as circumstances dictate.*

ADMISSION OF STUDENTS TO THE INSTITUTIONS OF HIGHER EDUCATION

The State Board of Education, in cooperation with the institutions of higher education, will promote an educational policy that will encourage and stimulate the offering of educational programs designed to develop the full potential of all the citizens of Michigan. In this regard, the community college bears a particular responsibility to provide the educational programs and courses that the people of its district need and can use. The community college must make a determined effort to ascertain the educational needs of the population it serves and build programs that will encourage the admission of those needing and desiring higher education. In so doing, the community college must provide counseling services that will both help to determine curricular needs and assist applicants in determining the programs in which they have a reasonable chance for success.

This is particularly critical for the high school dropout and for the adult who seeks additional education. As for the dropout, normally 16 to 17 years of age, high school and community college counselors should be encouraged to cooperate in working out with the student the educational program best suited to him in view of his present abilities and attitudes regardless of whether it is a high school or community college program. It must be recognized that only a few such individuals can return successfully to the environment in which they have already experienced utter defeat.

9. *Accordingly, the State Board of Education will continue to advise the boards of trustees of community colleges that their practice should be to admit any high school graduate or other out-of-school person and counsel with him about the programs or courses for which he is prepared and from which he may benefit.*

As more students enroll in community colleges, an increasing number of successful community college graduates will want to transfer to a four-year institution for completion of the baccalaureate degree. In general, community college transfers have done as well as upperclassmen in the baccalaureate institutions. But it is important that special care be taken to counsel them concerning educational opportunities appropriate to their capacities and interests and the problems they are likely to meet during the period of transition.

10. *In order that community college transfers to baccalaureate institutions may have the opportunity to achieve their educational goals, the State Board of Education will request baccalaureate institutions to accept the special responsibility to admit academically qualified community college transfers, and to provide them with essential counseling and assistance during the period of transition.*

The admission and retention policies and standards of the state-supported baccalaureate institutions are established by their governing boards. In general, the policies and standards are designed to admit those students who are believed to be able to do the required work and to exclude those who, if admitted, would in all probability suffer failure and loss of time. As noted earlier, the institutions will need to be flexible in admitting those not now participating in higher education if this segment of society is to be given an opportunity to succeed.

The admission policies and practices of the baccalaureate colleges and universities vary according to the goals and objectives of each, with the result that some eligible students are denied admission at some of the institutions, and because of a lack of information and time may not be able to enroll in another institution.

11. *Because of the lack of knowledge related to the admission policies and practices of the institutions, the State Board of Education will, in cooperation with the colleges and universities, initiate studies designed to culminate in recommendations concerning admission and retention policies and practices that will make it possible for a greater variety of students to be admitted, consistent with the needs of society.*

The State Board is also aware that applicants for admission to colleges and universities cannot always be certain that their applications will be accepted in the institution of their choice, which results quite often in candidates applying at several institutions. To assist in providing information on available openings, the State Board of Education will continue to develop its admission information and referral center whereby students who desire such information can ascertain, on short notice, what educational programs are available to them, and where. The center also provides information concerning student financial assistance, such as scholarships, grants, and loans. Each institution that reports program openings to the center continues to admit and register students referred, but reports to the center as the programs become filled.

FINANCIAL ASSISTANCE FOR STUDENTS

Even when the human needs have been determined and programs made available by the institutions of higher education, a selection process takes place because of the financial inability of a large number of people to go to college. The inability of people to pay the cost of education is an important cause for the gap between the number who could benefit from a higher education and the number of actual enrollees. The state of Michigan must be responsive to the financial needs of students and make certain that no citizen is denied a higher education solely because of insufficient financial resources.

A state financial assistance program of sufficient breadth and depth should virtually guarantee that a student who can become admitted to a higher education institution will be able to secure the necessary funds. The help should be in the form of scholarships, grants, loans, work-study programs and other programs which can be made available. Higher education can no longer be readily available only to the academically gifted and the well-to-do, since there are thousands of Michigan residents who could profit from a higher education but cannot afford to enroll.

12. *To this end, the State Board of Education will foster the coordination of state, institutional, and federal funds available to students, and will recommend that sufficient state financial assistance be available to every individual who is academically qualified to undertake a higher education program of his choice.*

Student Financial Assistance Now Available

While financial assistance is now available to thousands of students, it by no means meets the present demands for aiding all students who have demonstrated need and who wish to continue their higher education.

Assistance supplied by the educational institutions. Prior to 1958, most student financial aid was provided directly by colleges and universities themselves or through the philanthropic endeavors of business or other private donors. Scholarships and employment were by far the most common types of student financial aid; loans were generally used only as a last resort by a limited number of students.

A survey of Michigan colleges and universities, conducted in 1966, indicated that more than 105,000, or 30 percent of all students, received financial aid from the institutions. There is evidence that a large amount of student employment was not included in this survey.

Assistance by the federal government. The federal government has established several landmark aid programs in the past 25 years. There is the GI bill, initiated at the close of World War II, under which the federal government contributes outright to the cost of tuition and some maintenance for veterans while they are in college.

In 1958, the Congress established the National Defense Student Loan Program whereby many college students are eligible to borrow, with no repayment required until after completion of their studies. In 1965, the federal government became involved in student aid programs through the establishment of the College Work-Study Program. This program provides federal funds which, together with contributions from individual colleges, are used to create part-time employment so that students may work during the college year as a means of supplementing their own resources. These arrangements receive high praise from both students and school administrators.

In 1965, the Education Opportunity Grant Program established direct federal grants that provide assistance to students from low-income families. Also in 1965, the federal government established two guaranteed student loan programs: one for students attending colleges and universities and the other for students wishing to attend trade, technical, or other vocational schools.

Assistance by the state of Michigan. In 1960, the Michigan Legislature established the Guaranteed Student Loan Program, which provides for low-interest, long-term loans for Michigan students. Under the program, students who lack the funds to attend college are eligible to borrow from local banks or other eligible lending institutions up to $1,000 per year for undergraduate study and $1,500 per year for graduate study.

13. A major weakness of the state guaranteed loan program is the lack of enthusiasm of financial institutions in making long-term student loans; therefore, the State Board of Education will seek legislative action to provide sufficient funds for the state guaranteed loan fund and to accomplish greater participation by financial institutions.

The State Competitive Scholarship Program and the Tuition Grant Program are designed to enable students with limited financial resources to attend the institutions of their choice, including private institutions.

The purpose of the State Competitive Scholarship Program, created in 1964, is to encourage and assist the pursuit of higher education by able students who demonstrate financial need. All winners in the competition receive honorary certificates, and those who demonstrate financial need may receive financial assistance up to $800 per year, but not more than an amount equal to the tuition and fees at the college attended.

The Tuition Grant Program, established in 1966, provides aid to students with limited financial resources to enable them to attend private colleges in Michigan. The intent is to help equalize the cost of attendance at private colleges with the cost of attendance at public institutions. A student is eligible to receive up to $800 per year, not to exceed the cost of tuition at the institution attended.

The Proposed Incentive Awards Program. Although the three state-sponsored financial aid programs now in existence have been effective in making available the opportunity for a college education for many Michigan students, an obvious and serious deficiency exists in that there is no aid program designed specifically for students from culturally and educationally deprived circumstances. There are many Michigan students with potential to benefit from a postsecondary education who are unable to compete successfully on a statewide basis as is required in the State Competitive Scholarship Program and who likewise cannot afford to attend a private institution.

14. *The establishment of an incentive awards program that would identify high school students from disadvantaged backgrounds is of utmost importance if more young people are to be given an opportunity for higher education, therefore, the State Board of Education will continue to give highest priority to the implementation of such a program and will urge the legislature to provide sufficient funds to meet the financial needs.*

A CONCLUDING STATEMENT TO CHAPTER II

Substantial steps have been taken to identify the dimensions of the future needs for higher education and training and to develop the machinery for meeting them. But the needs are constantly growing in extent and changing in character. They cover the entire spectrum of the diverse nature of the state's economic, social, and political interests. As the requirements of our society alter and expand, so must the services of higher education.

Some of the basic plans for assuring that Michigan's higher educational system is in harmony with the changing needs of the state are dealt with in this chapter. Implementation of procedure to meet the needs is discussed in Chapter III, which deals with the necessities for planning and coordination, and Chapter IV, which outlines the basic elements in determining the financial requirements of higher education.

CHAPTER III

IMPLEMENTING A PROGRAM OF PLANNING AND COORDINATION OF HIGHER EDUCATION IN MICHIGAN

> The State Board of Education "shall serve as the general planning and coordinating body for all public education, including higher education,..."[1]

The constitutional charge to the State Board of Education to serve as the general planning and coordinating body is a positive and constructive mandate. Furthermore, the general direction to be followed is quite clear; it is through cooperative action with the educational institutions and concerned departments of state in an atmosphere of mutual respect and understanding. It must be clear however, that the State Board's responsibility to serve as the general planning and coordinating body cannot be delegated or abdicated.

Implementing a statewide program of planning and coordination is predicated upon the following assumptions:

> Assumption No. 1. Public educational institutions must have sufficient flexibility to be responsive to the needs of the citizens of the state in order to provide programs that will create insights into the arts and social sciences that enable citizens to live constructive, meaningful, and satisfying lives in a heterogenous society.
>
> Assumption No. 2. Institutional freedom should be preserved, and an atmosphere conducive to diversity, flexibility, and creativity inherent in the constitutional provisions for the government of the public educational institutions should be fostered.
>
> Assumption No. 3. The orderly and timely development of public educational institutions and their programs appropriate with the needs of the state should be advanced.
>
> Assumption No. 4. More effective utilization of public educational institution resources should be promoted including cooperative ventures by the institutions in such areas as sharing teachers, facilities, and programs.

PLANNING AND COORDINATION OF EDUCATIONAL PROGRAMS AMONG THE EDUCATIONAL INSTITUTIONS

The educational needs of contemporary society are so great and complex that no single type of institution of higher education can meet all of them; there must be specialization and a division of educational responsibilities. The determination of the present division of responsibilities of the existing educational institutions (Chapter I), including the promotion of such changes as will meet the needs of the people of Michigan most efficiently and economically, and the determination of the educational needs of individuals and of society (Chapter II) are the essence of planning and coordination for higher education.

---

[1] Constitution of the State of Michigan, 1963, Article VIII, Section 3.

In some states, the division of responsibility for public higher education institutions is established in the state Constitution or by legislative action. Michigan has chosen to encourage the development of flexibility and diversity of educational programs and to stimulate initiative and innovation by placing a degree of autonomy in the several governing boards, subject to general planning and coordination by the State Board of Education.

The starting point for planning and coordination of educational programs among public institutions must be based upon the existing division of educational responsibilities of the institutions. In this regard each institution has filed with the State Board of Education its own statement of its character and role in the Michigan system of higher education as it conceives it to be, including its aspirations for the future.

It is essential that the State Board of Education have access to such information for the purpose of conducting studies and formulating recommendations essential to program planning and coordination. In order that information may be comparable and capable of analysis, standard reporting procedures for the use of all institutions, both public and private, have been developed.

15. *For the purpose of enabling the State Board of Education to make annual reassessments of higher education, each public baccalaureate institution and community college shall file its updated five-year plan of operations showing its educational roles, its actual and proposed inventory of programs, its required faculties and staff, and its projected operating and capital costs, including self-liquidating facilities.*

The end result will be that the roles of the individual institutions can be more clearly defined within the total system of higher education in the state. The private institutions are invited to file their plan of operations in order that they may be taken into account in the long-range planning for higher education.

Inventory of Existing Educational Programs

The State Board of Education has just completed an inventory of educational programs being offered by each public and private baccalaureate institution and community college. The State Board will maintain an updated inventory of educational programs offered by each public and private baccalaureate institution and community college.

The State Board of Education definition of an educational program, for inventory purposes, takes into account the various types of programs and different levels of instruction, as illustrated by a vocational-technical program, a baccalaureate major program, a graduate program, or a graduate-professional program. In the interest of avoiding unnecessary detail, it does not include short courses and community services. The definition initially being used is as follows:

> An educational program, for inventory purposes, is a group of related courses in which instruction or other training will be offered, permitting a student to develop skills and competencies and leading to a degree or certificate. When a grouping of related courses occurs, it will normally be designated as a "degree program," "Major," or other significant course combination.

Program Review Procedure for Public Institutions

It is contemplated that each public institution of higher education will continue to be alert to the educational needs of society and its individual members; and that each institution will endeavor to develop, in response to these needs, such existing educational programs and such new programs as are consistent with its educational role.

Proposals by the public higher educational institutions to create new programs or to extend the level of existing programs should be submitted in advance of implementation to the State Board of Education for review and appraisal. Significant modification in existing educational patterns or programs, including those involving new groupings of existing staff and recharacterization of existing programs, shall be reported to the State Board of Education in order that its information shall be complete.

The review process, to be carried out by the Board provides for a routine review and, when needed, a detailed review.

Routine review procedures are being used for new programs that are:

1. clearly responsive to established need;
2. compatible with the statewide plan for the development of higher education; and
3. closely related to the established programs and stated goals of the proposing institution.

Detailed review procedures for new major educational programs proposed by individual institutions are undertaken when a program does not seem to fall within the above routine process. Such review is carried out in full cooperation with the proposing institution and in communication with other interested institutions. The process consists of the following steps:

1. completion of the appropriate form by the proposing institution;
2. review of the proposed program in relation to:
    a. the need for the program,
    b. the state plan for higher education, and
    c. the character and role of the proposing institution;
3. recommendations of an ad hoc committee of qualified scholars, when appropriate;
4. staff recommendations, accompanied by the briefs of the institutions; and
5. final conclusions, decisions, and recommendations by the Board after conducting a hearing, if one is desired, at which the initiating institution and other interested institutions have an opportunity to be heard.

Periodic reassessments of the educational needs of the state and how well they are being met is also an important process and is a continuous task shared by the State Board and the institutions. The primary purpose of reassessment is to discover educational needs that may have been overlooked and unnecessary duplication of educational programs that may have developed. As a result of its reassessments the Board may, from time to time, encourage the expansion of certain existing educational programs or discourage the continuation of other programs by making appropriate recommendations to individual institutions.

Continuing Education Programs

Both off-campus and on-campus continuing education programs, including adult education, have become very important and require planning and coordination. There are two aspects to the off-campus activities of colleges and universities: (1) degree courses and programs, and (2) non-degree courses and programs. There is a need to have further information about the scope of off-campus degree and non-degre courses and programs to determine their availability. The State Board staff is currently compiling information in regard to this topic.

The need to coordinate off-campus programs offered by the several state baccalaureate institutions has been recognized by the institutions themselves for many years. In an effort to meet this need, the Michigan Council of State College Presidents organized the Coordinating Council of State College Field Services to coordinate off-campus programs offered by the state baccalaureate institutions. This Council has carried on voluntary coordination with considerable success. With the growth of continuing education both on and off-campus, the inclusion of graduate, graduate-professional, and post-professional courses, and the increased number of community college service programs, the coordinating task has grown.

16. *As a result of the growing demands for off-campus programs at the undergraduate, graduate, and graduate-professional levels, and because there is not now a clear direction as to the overall state planning and coordination of such activities, the State Board of Education will develop, in cooperation with institutional representatives, a statewide plan whereby off-campus education can be encouraged, fostered, and coordinated.*

COORDINATION OF VOCATIONAL-TECHNICAL PROGRAMS AT THE SECONDARY AND POSTSECONDARY LEVELS

In general, the coordination of vocational-technical programs should take place through the regular review process, but there are certain problems that call for special consideration.

Programs Designed to Extend Beyond a Single Community College District

There are some postsecondary, nonbaccalaureate programs, primarily high-cost, vocational-technical programs, that should be reasonably available throughout the state, but should not be taught in every community college of the state because of the high cost of and the limited enrollments in such programs.

17. *Therefore, it shall be the policy of the State Board of Education to recommend that certain community colleges, especially metropolitan community colleges, based upon a number of factors, undertake such of these programs as they are particularly suited to offer.*

Educational Programs of Secondary Area Vocational Schools

In the vocational-technical field, the community college and secondary area vocational school should not be placed in direct competition with each other, their programs should indeed complement each other.

18. *In order to avoid unnecessary duplication of institutions, facilities, and programs, it shall continue to be the policy of the State Board of Education that, in areas where community colleges exist, the community college shall serve as the postsecondary area vocational school.*

For areas where community colleges do not exist and cannot be organized immediately, public baccalaureate institutions may continue to provide such services until the area becomes ready for a community college or until the area affiliates with a neighboring community college district. The allotment of those federal funds allocated for postsecondary vocational education will be based upon this principle.

At the secondary level, area vocational centers are being encouraged in those areas of the state where individual high schools cannot afford some of the occupational courses that their students need. If such courses are to be made available, they must be offered cooperatively at centers located within commuting distance of the cooperating high schools. Secondary area vocational centers may be provided in three ways:

1. the vocational department of one well-equipped high school may serve all of the participating high schools;
2. a separate facility within commuting distance of all the participating high schools may be constructed and operated for the benefit of all the high schools; or
3. a community college located in the area may serve as the vocational education center for the high schools by providing the secondary courses wanted or by making its facilities available to the high schools for such courses.

In order that all students in a given area may have the opportunity to pursue a continuous vocational-technical program from high school through the community college level, the State Board of Education, with the advice of the State Board for Public Community and Junior Colleges, will work with Intermediate School Boards to effectuate, to the extent possible, coterminous boundaries between intermediate and community college districts.

19. *In the interim and due to the great need for pre-vocational technical skills at the secondary level, and in the interest of efficiency and economy in teaching, the State Board of Education will establish appropriate standards for secondary area vocational centers and community colleges to avoid unnecessary duplication of programs and facilities.*

COOPERATIVE EDUCATIONAL PROGRAMS

There have been several successful voluntary efforts by educational institutions to provide cooperative educational programs. These efforts include such activities as regional programs with neighboring states, research and public service activities, and cooperative programs with private industry. As a part of general planning, such efforts are to be encouraged among all institutions, both public and private.

Planning of Regional Programs With Neighboring States

As a part of its planning responsibilities, the State Board of Education is concerned with those educational programs, normally graduate or graduate-professional in character, that cannot or should not be offered in every state. These may be essential but very costly programs for which the student demand is not large. The public educational institutions should be encouraged to cooperate with institutions of other states in developing and operating unique programs which need not necessarily be offered in Michigan.

Another kind of regional planning is needed where educational institutions are located near state or national boundaries. Two similar institutions, one on each side of the boundary, should not be needed. The joint use of one institution might be facilitated by negotiations at the state level. Study should be initiated to encourage regional planning with departments of education and institutions of higher education in neighboring states in order to foster reciprocity and avoid program duplication.

Conducting Research and Public Services

Those institutions that have gained the greatest acclaim for their contributions to society are those that recognize research as an important component of the total educational program. These institutions have been able to attract and retain faculty of the highest quality. These faculty, in turn, make important intellectual advances and attract able graduate students and the most support for their work. Research is an activity proper to and appropriate in all colleges and universities; it is essential in those with graduate-professional programs.

The State Board of Education encourages all higher educational institutions, both public and private to:

1. conduct such research and public services as are commensurate with their respective educational purposes and goals;

2. promote appropriate cooperative research with other institutions within and outside of the state; and

3. solicit the cooperation of private industry and the interested departments of the state.

Educational Programs in Cooperation With Private Industry

Certain large industrial and business establishments have substantial numbers of employees with teaching and research talent and experiences, such as scientists, engineers, business executives, personnel officers, and industrial psychologists. Some of these firms have laboratories and expensive research equipment such as few universities possess.

It is possible that an analysis of the graduate curricula offered by the major universities in Michigan might reveal a lack of some high-cost doctoral programs in fields of interest to a substantial portion of industry. An appropriate curriculum might be organized by one or more of the state universities to be conducted by the personnel of a particular industry using the industrial facilities. Or, through a cooperative effort with public-spirited individuals, foundations, and the federal government, there might be developed a center for graduate study in particular fields with the graduate programs carried out under the direction and supervision of a university graduate school using the facilities and personnel of industry. This would enhance total graduate education through the use of available talented personnel as part-time faculty members and expensive, specialized research equipment could be utilized at a minimum cost to the state.

20. For the purpose of stimulating the cooperative programs in the several areas discussed above, the State Board of Education will strive to expedite coordination of regional programs within the state and with neighboring states, research and public service programs, and cooperative programs with private organizations.

PLANNING AND COORDINATING GROWTH AND EXPANSION OF PHYSICAL FACILITIES

It is the responsibility of the State Board of Education, in cooperation with the institutions, to project enrollments and student needs and match them with educational programs to the point that will make it possible to determine, farther in advance and more accurately than can now be done what facilities, faculties, and finances are going to be needed in the years ahead.

Long-range planning for higher education envisions coordinated orderly growth and development of existing institutions -- four-year and two-year, public and private -- and the planned formation of new institutions. The Board, therefore, will need to keep under constant study the population concentrations throughout the state in order to determine where existing institutions need to be expanded and where new institutions may need to be established.

Two kinds of facility data are basic to satisfactory planning and coordination of the growth and development of the public institutions of higher education and their programs. These are:

1. An inventory of the kinds and amounts of educational space and equipment available.

2. Sound data concerning the kinds and amounts of physical space and equipment needed by the educational institutions.

Such data are presently fragmentary, and what are available are not well defined.

Under provisions of the Comprehensive Planning Grant obtained under Title I of the Higher Education Facilities Act of 1963, as amended, a State Department of Education project is underway to provide the state with an up-to-date inventory of existing facilities and space utilization for all public and private colleges and universities in the state. The present study of facilities will give special consideration to ways of devising and using realistic, functional space standards, so that space and facilities can be classified in terms of the uses to which they are to be placed.

The study underway lends itself to data processing for use of the computer, both within institutions and throughout the state. If a computer network is developed, the techniques of planning educational programs and facilities may be advanced markedly, and the ultimate goal of relating enrollments, programs, faculty, financing, and facilities made more possible.

The Size of Educational Institutions

The optimum enrollment for effective teaching and learning in any school or major division of an institution of higher education is a function of the nature of its educational program, facilities, faculty, and other necessary educational resources available. The most effective method of controlling enrollments is for each institution to control the admission of students to each major educational division in such a way as to maintain the optimum enrollment for effective teaching based upon the educational resources available. It may be possible to expand somewhat a division's capacity to serve students by improving the educational process itself, but beyond that, the effective capacity can be expanded only by increasing the educational resources. Thus, the optimum size of an institution is determined in a large measure by the effective capacities of its major divisions.

21. *Although it is not clear that there is a unique optimum size for educational institutions, it is believed that an educational institution cannot wisely be expanded indefinitely, therefore, the State Board of Education will study and recommend a state policy concerning institutional size, and the distribution of students among the institutions.*

Branch Campuses of State Baccalaureate Institutions

The existing branch campuses are Lake Superior State College (Michigan Technological University), Flint College and Dearborn Campus (the University of Michigan), and Oakland University (Michigan State University).

The advantages and disadvantages of the branch system of higher education, as they pertain to Michigan, have been set forth ably by John

Dale Russell,[2] Alexander G. Ruthven,[3] the Citizens Committee on Higher Education,[4] and the Advisory Committee on University Branches.[5] All conclude that, for Michigan, the disadvantages outweigh the advantages.. The gains that are expected to result from the drive and creativity of autonomously governed institutions outweigh the advantages that may accrue to a branch from its governing parent. Michigan cast its vote in favor of autonomously governed institutions long ago when it created so many of them, and this policy has been reaffirmed in the Constitution of 1963.

22. Therefore, it will continue to be the policy of the State Board that the existing branches should be provided their autonomy in an expeditious manner.

The Establishment of New Public Baccalaureate Institutions

Some basic considerations that should be taken into account in establishing new public baccalaureate institutions or campuses are the following:

1. The number and location of new institutions should be designed to obtain the optimum use of the state's higher education resources, both public and private, in relation to the greatest relative need, both functionally and geographically.

2. The extent to which the cost of establishing new institutions may or may not exceed the cost of expanding existing institutions.

3. New public institutions should be located in areas where they will serve the largest number of people.

4. The development of an on-going community college educational program should generally precede the establishment of a new public baccalaureate institution in the same population area.

The State Board of Education is convinced that the future higher education needs of the state can best be met by the establishment of institutions governed by their own boards of control. This position does not preclude assistance by an existing state baccalaureate institution to a new institution established by the state of Michigan. Existing baccalaureate institutions may be expected to provide counsel, advice, and assistance in such cases.

---

[2] John Dale Russell, The Final Report of the Survey of Higher Education in Michigan, September 1958, pp. 134-139.

[3] Alexander G. Ruthven, Naturalist in Two Worlds (University of Michigan Press, 1963), pp. 89, 90.

[4] Report of Citizens Committee on Higher Education, A Consolidated and Summary Statement of Findings and Recommendations, March 1965, pp. 19, 20.

[5] Report of the Advisory Committee on University Branches to the Michigan Coordinating Council for Public Higher Education, December 1964.

23. *The State Board of Education is responsible for making recommendations concerning the formation and scope of new public institutions,*[6] *and in recommending the establishment of any new public institution. It will offer guidelines to the new governing board on how the public institution should grow, the level of instruction to be offered, and the variety of professional programs and the timing of their introduction.*

Need for Additional Community College Districts

As a part of effective planning for higher education in Michigan, it is essential that community college services be provided throughout the entire state. The State Board of Education, upon the advice of the State Board for Public Community and Junior Colleges, is presently developing, in cooperation with citizen groups, a plan for accomplishing this end.

When the six remaining K-12 school districts operating community colleges as departments of the public schools expand to independent community college districts, most of the state's population outside Wayne County will reside in a district. The State Board of Education is assisting these K-12 school districts in making the transition to independent districts. The districting plan for community colleges also takes into consideration "island areas" not presently in community college districts. Procedures are being worked out to encourage the annexation of these areas to existing districts, or to include them in the expansion of K-12 districts into independent districts. An effort is also being made to strengthen those established community college districts that are now able to provide only marginal programs.

24. *The State Board of Education believes every resident of the state should have equal access to community colleges services, it is therefore the policy of the board that all areas of the state be included in independent community college districts.*

In keeping with the belief that all residents of the state should reside in community college districts, it is essential that community college campuses be located to serve the largest number of people, within the shortest commuting distance.

25. *Therefore, the State Board of Education will, based upon appropriate advice, establish guidelines for locating community college sites within the respective districts in such a way as to provide the greatest services to all of the people of the district and surrounding territory.*

Residence Halls at Community Colleges

The presence of residence halls at community colleges is a recent development. In general, the residence hall is inconsistent with the fundamental principle underlying the community college concept as a commuter institution -- the concept of taking education to the people. Furthermore, such self-liquidating projects could have a detrimental effect upon program offerings. For these reasons, the State Board of Education does not look upon the construction of dormitories as being ordinarily in the best interest of the community college movement.

---

[6] See Appendix D for a letter opinion from the Attorney General relative to the establishment of new institutions.

A residence hall is not the answer for those youth and adults who, because of job and family obligations or limited financial resources cannot attend in residence. As a result a community college should explore every possible way of taking its educational programs out in the district to its people by establishing education centers, before considering the construction of a dormitory.

26. *Therefore, the State Board of Education will, based upon appropriate advice, establish guidelines for determining the appropriateness of residence halls on community college campuses, and the construction of a residence hall by a community college shall have the prior approval of the State Board of Education.*

A Community College Should Not Become a Public Baccalaureate Institution

The baccalaureate institution and the community college complement each other by performing quite different functions. The community college must keep its doors open to all students and should endeavor to provide the educational programs that they need and can undertake. The programs of the community colleges are geared to the needs of the community. The baccalaureate institution establishes educational programs and expects to admit only those who are able to undertake them with a reasonable degree of success. The baccalaureate institutions, because of their admission practices and policies, should not continue to offer the service programs wanted by the local community when community college services are available.

27. *The policy of the State Board of Education is that no community college should be transformed into a baccalaureate institution. If and when it is determined that a public baccalaureate institution is needed in an area, it should be established in its own right, rather than as an outgrowth of an existing community college.*

A CONCLUDING STATEMENT TO CHAPTER III

Michigan's total system of higher education, as described in Chapter I, is large, complex, and diverse. The need for a rational program of planning and coordination is clear. Such planning, of course, is based on the collection and analysis of adequate information on the existing programs of all institutions, public and private, two- and four-year. In addition, the coordinating agency must be involved in the decisions to provide additional educational services. The State Board of Education is the agency designated to perform this role.

In serving its important function of planning and coordination, the State Board of Education considers its role to be a supportive one which can contribute to strengthening the total commitment to higher education.

CHAPTER IV

ADVISING CONCERNING THE FINANCIAL REQUIREMENTS OF PUBLIC HIGHER EDUCATION

> "The legislature shall appropriate moneys to maintain (the existing state universities and colleges). . . and other institutions of higher education established by law."[1]

> The State Board of Education "shall advise the legislature as to the financial requirements in connection therewith."[2]

The financial requirements of Michigan's institutions of higher education are as complex as their educational programs. The financial revenue and expenditures of the public baccalaureate institutions and the community colleges have differed so markedly that it is necessary to consider them separately in developing state plan guidelines for advising concerning their respective financial requirements.

OPERATING COSTS - PUBLIC BACCALAUREATE INSTITUTIONS

Present Expenditures and Revenues

The baccalaureate institutions vary significantly in size, scope, and complexity but each uses three basic accounting funds for recording transactions relating to operations: General Fund, Expendable Restricted Fund, and Auxiliary Activities Funds. These funds are common to all the institutions and are as follows:

1. The General Fund of each public baccalaureate institution is the principal operating fund. For fiscal 1966-67, General Fund resources came from (a) state appropriations (73 percent), (b) tuition and fees from students (24 percent), and (c) miscellaneous revenue such as related interest earning, departmental services, and space rentals (3 percent). In this fund are recorded those expenditures for all departments and activities of the institution concerned with the general educational program.[3]

2. The Expendable Restricted Fund is used to denote special programs financed by separate special purpose state appropriations, income from endowment funds, federal contracts and grants, and other grants and gifts. There are similarities between the activities of the institutions in reporting on the Expendable Restricted Fund and the General Fund because both funds may show expenditures for instruction, research, library, etc. The principal distinction between the two funds is that most Expendable

---

[1] Constitution of the State of Michigan, 1963, Article VIII, Section 4.

[2] ibid. Article VIII, Section 3.

[3] A detailed description of revenue and expenditures from the General Fund can be obtained in the 1968-69 Annual Report to the Michigan Legislature by the State Board of Education, February 28, 1968.

Restricted Funds, contributed by donors or supporting agencies, impose a responsibility on the institution to carry out the specific provisions of the gift, grant, or contract. (Starting in fiscal 1967-68 the Designated Fund was separated from the Expendable Restricted Fund.)

3. The Auxiliary Activities Fund is maintained to account for revenues from and expenditures for those revenue-producing and substantially self-supporting activities that the colleges and universities carry on, such as residence halls, student centers, bookstores, intercollegiate athletics, hospitals, and other programs of this nature.

The financial reports for these three funds reflect the total revenue and expenditures for the operation of the baccalaureate colleges and universities. Table 1 shows the revenue for operations in the 1966-67 fiscal year as recorded in the three funds. Table 2 shows the range of the costs required to operate the state's colleges and universities at the 1966-67 level according to 15 functional classifications.[4]

Under the state Constitution, all state appropriations for the support of higher education are determined by the Legislature. Annual requests for operating appropriations are filed by the institutions with the Governor's office. In general, the requests are based on five factors:

1. The current level of operations.
2. Anticipated changes in the cost of current operations.
3. The expected size of the student body for the new academic year.
4. Improvements in the level of current program offerings.
5. New program offerings.

In considering institutional requests, the Legislature may have before it each year the requests of the educational institutions, the recommendation of the Governor, the advice of the State Board of Education and information from such other sources as may be appropriate and available.[5]

Tuition and Fees

The level of tuition and fee charges is determined by the governing board of each baccalaureate institution, although the Legislature sometimes influences the level of the charges through the amount of the appropriation. If the appropriation is lower than the institution believes necessary to support the educational program, tuition and fee charges may

---

[4] There are, however, other nonoperating funds such as the Plant Fund, the Endowment Fund, and the Student Loan Fund.

[5] Annual Report to the Michigan Legislature by the State Board of Education, February 28, 1968, p. 71.

Table 1

Revenues For Operations By Fund 1966-67
Public Baccalaureate Colleges and Universities

Institution	General Fund*	Current Restricted Fund	Auxiliary Activities Fund**	Total
Central Michigan University	$ 10,382,030	$ 844,425	$ 6,549,132	$ 17,775,587
Eastern Michigan University	13,954,751	2,394,578	5,317,614	21,666,943
Ferris State College	7,998,478	516,483	5,545,272	14,060,233
Grand Valley State College	2,549,745	218,914	330,703	3,099,362
Michigan State University	62,411,803	37,500,712	39,997,903	139,910,418
Oakland University	5,715,796	1,252,131	3,771,551	10,739,478
Michigan Technological University	7,745,224	1,321,134	3,091,039	12,157,397
Lake Superior State College	1,304,760	428,699	388,252	2,121,711
Northern Michigan University	7,232,917	4,324,559	5,034,903	16,592,379
Saginaw Valley State College	479,229	76,718	2,876	558,823
University of Michigan	77,725,148	80,522,294	43,759,583	202,007,025
Wayne State University	39,266,553	13,834,015	4,387,781	57,488,349
Western Michigan University	20,327,145	4,463,078	9,985,002	34,775,225
Total	$257,093,579	$147,697,740	$128,161,611	$532,952,930
Percent of Total	48.2	27.7	24.1	100.0%

Source: Financial Statements for Fiscal year ended June 30, 1967

*A detail of each institution's resources for General Fund Account for 1967-68 can be obtained by a review of the Annual Report to the Legislature prepared by the State Board of Education.

**Includes transfers for debt retirement and interest.

TABLE 2

TOTAL EXPENDITURES FOR OPERATIONS BY PURPOSE
BACCALAUREATE COLLEGES AND UNIVERSITIES
1966-67
(in 1,000's)

PURPOSE	CENTRAL	EASTERN	FERRIS	GRAND VALLEY	MICH. STATE	OAKLAND	MICH. TECH.	L.S.S.C.	NORTHERN	SAGINAW	U. OF M.	WAYNE	WESTERN	TOTAL
Instruction	$ 5,237	$ 8,505	$ 5,168	$1,087	$ 31,328	$ 2,359	$ 3,851	$ 609	$ 3,115	$137	$ 56,972	$28,110	$13,723	$160,201
Other Educ. Serv.	205	816	448	297	3,193	357	269	68	857	25	1,777	3,334	1,123	12,767
Library	398	598	308	241	1,863	476	309	59	244	125	4,838	2,188	976	12,622
Organized Res.	9	119	69	11	34,251	687	1,190	--	81	--	53,193	5,707	322	95,639
Extension	518	569	47	-0-	1,254	53	194	67	3,316	--	1,797	1,057	657	9,530
Student Services	702	707	759	84	3,055	399	386	40	562	14	4,498	1,475	1,239	13,918
Student Aid	265	940	176	141	5,252	174	293	42	600	4	10,565	1,723	722	20,897
Public Services	55	530	222	33	1,261	72	643	275	219	7	4,122	1,966	1,212	10,617
General Adm.	284	379	188	127	592	220	297	60	296	90	1,298	619	263	4,715
Business Oper.	447	705	448	178	2,414	359	457	109	369	52	3,859	2,209	1,154	12,759
Plant Oper.	1,218	1,306	877	306	7,889	808	1,051	248	848	24	9,336	4,800	2,340	31,050
Plant Improv.	171	273	282	50	2,465	23	162	132	-0-	-0-	5,720	434	146	9,857
Auxiliary Ent.	3,674	4,064	4,226	266	38,787	3,414	2,249	419	4,051	2	43,760	3,183	6,623	114,717
Employee Fringe Benefits	846	**	**	177	4,645	402	**	**	483	**	**	**	**	6,553
Other	1,009	-0-	-0-	-0-	-0-	111	-0-	-0-	-0-	-0-	81	586	-0-	1,787
Transfer for Debt Service	2,161	1,612	1,398	64	1,359	367	673	*	1,017	-0-	*	*	3,872	12,524
Total	$17,199	$21,124	$14,616	$3,062	$139,607	$10,281	$12,022	$2,128	$16,056	$480	$201,816	$57,390	$34,371	$530,154
Revenues Over (under) Expenditures	577	543	(556)	38	303	458	135	(6)	536	79	192	98	404	2,799
	$17,776	$21,667	$14,060	$3,100	$139,910	$10,739	$12,157	$2,122	$16,592	$559	$202,008	$57,488	$34,775	$532,953

* Not specifically reported by the institutions
**Employee fringe benefits distributed according to purpose

NOTE: Column totals will be slightly different when amounts are added, due to rounding of figures.

be increased in an attempt to provide the total amount required, thus passing the burden on to the student.

There should be sufficient stability in charges to students so that the state, the institutions, the students, and their parents may know better how to plan for the future. There can scarcely be any intelligent planning without such stability. Under the pressure of rising operating expenditures, fees, apart from tuition, have a tendency to multiply. Fees are charged not only for self-liquidating projects and other auxiliary enterprises, but for many services related directly to the student's educational program as well.

Tuition and fee charges to out-of-state students have also become a special area of concern. Many of these students are enrolled in graduate and graduate-professional programs, most of which are likely to be regional and even national in character as well as meeting a state need. Out-of-state students strengthen the total character of the student body; they add breadth to the campus culture by their individual contributions to the intellectual life of the institution. Furthermore, a considerable number of them, after completing their training, choose to locate in Michigan and give the state the benefit of their special talents. The State Board of Education believes applicants from out of the state should not be priced out of attending a public higher education institution in Michigan. Certainly, Michigan's first responsibility is to take care of its own qualified students, but because of the highly mobile society in which we live and due to certain important regional and national programs offered by Michigan baccalaureate institutions, talented out-of-state students should be welcomed.

28. *Because of the growing concern over tuition and fee charges, the State Board of Education will initiate a study of the entire gamut of student tuition and fees charges by the public baccalaureate institutions and community colleges, including a policy on residency.*

Uniform Accounting and Reporting

In order to enable state agencies and other interested parties to compare financial reports and information submitted by the public baccalaureate institutions and interpret them intelligently, there is needed greater uniformity in accounting and reporting procedures then presently exists. This need has been recognized by the educational institutions for a long time, and they have made several studies toward achieving uniform reporting.

29. *Therefore, the State Board of Education will make requests for financial information from the baccalaureate institutions in terms of such definitions of accounting and reporting terms as are agreed upon by the institutions and state agencies involved. In addition, the State Board of Education will cooperate with the baccalaureate institutions to bring about a speedy completion of an accounting manual that will be acceptable in meeting the uniform accounting and reporting needs of the state.*

In analyzing budget requests of educational institutions, state agencies or other interested parties are certain to make comparisons of operating costs in one institution with those in another. For example, they are likely to reduce the total operating costs of each institution to the cost of a single unit, such as the full-time student or the student credit hour. The results of such a comparison are misleading because the unit costs in undergraduate programs differ substantially from those in graduate, graduate-professional, and vocational-technical programs, and the unit costs in one major discipline may differ from those in another. Therefore, the institutions' reports of operating costs, based upon an acceptable manual, should show costs per unit by major discipline at each level - freshmen-sophomore, junior-senior, master's, and doctoral - and for professional schools and certain special programs that may not properly be included in any general group. Until such information is available from all institutions according to common definitions, the development of recommendations based upon defensible cost data will not be possible.

30. *The present system of counting and reporting students by the public baccalaureate institutions as shown in Table 3 is practical and acceptable to most agencies. Therefore, the State Board of Education will adopt the present public baccalaureate system of counting and reporting students as set forth in Table 3.*[6]

OPERATING COSTS - PUBLIC COMMUNITY COLLEGES

Present Expenditures and Revenue

Michigan's public community colleges conduct a great variety of programs, and differ in complexity of operations, age, size, and geographical areas of service. The differences are necessarily reflected in the financial requirements of the individual institutions, but the overall financial pattern must be considered in terms of future needs of the citizens.

The Legislature presently appropriates funds to the community colleges on the basis of the number of full-time equated students with an additional payment for each vocational-technical course student. The Legislature has stipulated in the past that state support of community college operations cannot exceed one-half of the full-time equated cost at any community college.

31. *Because the educational programs of community colleges vary widely and some are penalized by the standard per student appropriation, the State Board of Education with the advice of the boards of trustees of community colleges, and the State Board for Public Community and Junior Colleges, will recommend a new way of determining appropriations for community college operations consistent with their roles as institutions of higher education.*

Table 4 shows how revenue for operating purposes was obtained by the public community colleges in 1966-67. The table shows that 37.3 percent came from state appropriations, 26.1 percent from local property taxes, and 29.2 percent from tuition and fees. The balance came from other sources, principally state-distributed federal aid for vocational education. Table 5 illustrates how this revenue was expended during 1966-67.

---

[6] At present, community colleges use a different system of counting students as discussed on page 53 of this chapter. The proposed 15.5 hour system more nearly corresponds to the number of hours necessary for completion of degree requirements of the associate and baccalaureate degree levels.

Table 3

Definition for Counting Students in Institutions of Higher Education

Level	In Terms of Credit Hours	
	Semester Hours	Quarter Hours
FTE Student[1]		
Undergraduate Level	15.5	15.5
Master's Level	12.0	12.0
Doctoral Level	8.0	8.0
FYE Student[2]		
Undergraduate Level	31.0	46.5
Master's Level	24.0	36.0
Doctoral Level	16.0	24.0

Post-doctoral, post-professional and certain other students whose studies are not organized in credit hours, should be counted as full-time students.

---

[1] The full-time equated (FTE) student count shows the total student load in an institution at a stated time, usually in the Fall because that is the time when the enrollment is likely to be the largest.

[2] The fiscal-year equated (FYE) student translates the total credit hours taken by all students during both the nine-month academic year and the Summer session or quarter into nine-month students.

Table 4
Michigan Public Community Colleges
Sources of Operating Revenue

	1966-67 State Appropriations for Operations	1966-67 Net Tuition & Fee Revenues	1966-67 Revenues from Local Taxes	1966-67 Other Operating Revenues	1966-67 Total Operating Revenues
Alpena Community College	$ 155,000	$ 133,727	$ 197,372	$ 36,222	$ 522,321
Bay de Noc Community College	124,053	80,224	79,174	97,347	380,798
Delta College	853,938	869,489	724,901	153,387	2,601,715
Flint Community Junior College	1,415,930	1,165,919	913,995	747,654	4,243,498
Glen Oaks Community College	0	3,930	127,195	21,084	152,209
Gogebic Community College	131,386	125,848	33,052	29,913	320,199
Grand Rapids Junior College	1,207,275	784,391	394,428	28,500	2,414,594
Henry Ford Community College	1,965,757	1,345,255	490,604	216,167	4,017,783
Highland Park College	947,992	788,016	91,063	210,830	2,037,901
Jackson Community College	621,270	499,121	524,250	84,762	1,729,403
Kalamazoo Valley Community College	0	0	679,280	8,092	687,372
Kellogg Community College	667,352	599,998	107,248	125,408	1,500,006
Lake Michigan College	420,468	362,895	260,311	186,474	1,230,148
Lansing Community College	958,910	665,237	483,909	186,829	2,294,885
Macomb County Community College	2,162,104	1,640,706	902,831	168,303	4,873,944
Mid Michigan Community College	0	0	63,986	0	63,986
Monroe County Community College	108,160	78,547	277,028	32,737	496,472
Montcalm Community College	30,842	22,861	82,234	21,803	157,740
Muskegon County Community College	731,228	541,591	98,874	106,955	1,478,648
North Central Michigan College	136,013	106,828	45,042	17,526	305,409
Northwestern Michigan College	364,888	386,038	83,347	40,650	874,923
Oakland Community College	1,084,055	769,415	2,679,384	325,441	4,858,295
St. Clair County Community College	574,810	544,930	0	75,884	1,195,624
Schoolcraft College	867,156	698,735	718,253	137,219	2,421,363
Southwestern Michigan College	102,648	104,169	168,024	24,935	399,776
Washtenaw Community College	323,163	207,230	951,194	60,243	1,541,830
West Shore Community College	---	---	---	---	---
Total	$15,954,398	$12,525,100	$11,176,020	$3,166,154	$42,821,672

Source: 1966-67 Audited Operating Cost Reports (BHE - P-59), Department of Education.

For fiscal 1966-67, the expenditure of such funds can be shown only by three classifications. (1) Salaries and Wages, (2) Contractual Services and Supplies, and (3) Equipment and other Operating Expenditures. As a result of the adoption of a new accounting manual, expenditures at community colleges will be reported in the future by functional classifications similar to those reported in Table 2 for baccalaureate institutions.

Tuition and Fees

Tuition and fee rates charged by Michigan community colleges vary widely from college to college, and are high compared to the rates charged by community colleges in other states. In November, 1966, the State Board of Education discussed at great length the need to reverse the trend of increasing tuition and fees at community colleges. The Board expressed the belief that as a statewide system of community colleges is established, a consistent policy of lowering tuition should emerge. In view of this relatively long standing concern about the level of tuition charges at community colleges, the State Board will be reviewing recommendations to present to the Legislature that will provide an incentive for community colleges to reduce their tuition rates.

As noted earlier, it is the intent that all areas of the state should be included in community college districts, even though a few areas may not be able to support community colleges for some time. Students from areas not a part of a community college, should not be charged a fee higher than the one charged resident students. If a charge in excess of the standard resident tuition rate is required, the nonresident's school district should pay the difference. This is fair to the receiving community college, and it should encourage areas outside of a community college district to consider becoming part of a district.

In addition, when a student attends a community college as a nonresident student in order to secure an approved high-cost vocational-technical program or other special programs that are not available to him in his own community college district, the excess of the tuition charged him over the standard charge to resident students should be worked out between the two colleges so that the student is not charged a rate in excess of the resident rate. One possibility for achieving this goal consists of reciprocal arrangements between community colleges. Another idea for further consideration is the development of regional community college programs.

32. *Because of these circumstances, it is the policy of the State Board of Education that, when students attend a community college as nonresident students, the excess of the tuition charged him over the standard charge to resident students should be paid by the student's local school district. In addition, when a student from a community college district attends another community college to enroll in a high-cost vocational-technical program or a specialized program not available in his community college, the sending community college should make provisions to pay the difference in tuition charges.*

Uniform Accounting and Reporting

An accounting manual for public community colleges has been developed and was used for the first time in fiscal year 1967-68. It may require

Table 5

Operating Expenditures 1966-67*
Public Community Colleges

	Expenditures for Salaries and Wages	Expenditures for Services, Supplies and Materials	Other Operating Expenditures	Total Operating Expenditures
Alpena Community College	$ 393,684	$ 98,846	$ 32,344	$ 524,874
Bay de Noc Community College	311,783	31,418	42,099	385,300
Delta College	2,010,005	269,774	367,591	2,647,370
Flint Community Junior College	3,162,063	684,527	396,908	4,243,498
Glen Oaks Community College	90,594	18,463	12,557	121,614
Gogebic Community College	189,611	18,732	54,424	262,767
Grand Rapids Junior College	1,992,041	190,752	231,801	2,414,594
Henry Ford Community College	3,497,447	339,302	181,034	4,017,783
Highland Park College	1,507,700	246,512	283,689	2,037,901
Jackson Community College	1,445,565	91,122	189,793	1,726,480
Kalamazoo Valley Community College	7,588	5,901	34,906	48,395
Kellogg Community College	1,194,874	162,296	142,836	1,500,006
Lake Michigan College	856,321	206,523	119,434	1,182,278
Lansing Community College	1,745,736	197,336	438,386	2,381,458
Macomb County Community College	3,325,720	459,145	539,343	4,324,208
Mid Michigan Community College	24,000	13,541	34,627	50,568
Monroe County Community College	348,553	68,462	60,145	477,160
Montcalm Community College	118,022	14,817	21,620	154,459
Muskegon County Community College	1,150,159	97,651	214,645	1,462,455
North Central Michigan College	224,832	50,333	18,318	293,483
Northwestern Michigan College	644,058	71,396	111,450	826,904
Oakland Community College	3,122,775	785,222	620,601	4,528,598
St. Clair County Community College	925,441	76,860	193,323	1,195,624
Schoolcraft College	1,820,264	363,139	26,606	2,210,009
Southwestern Michigan College	235,736	21,686	40,233	297,655
Washtenaw Community College	954,875	80,711	395,920	1,431,506
TOTAL	$31,277,790**	$4,657,010	$4,831,915	$40,766,715

Source: 1966-67 Audited Operating Cost Reports (BHE P-59) Department of Education

*A classification by purpose would be more meaningful. Such uniform categories, however, will first be available for 1967-68 as the community colleges adapt to the uniform manual for community college accounting.

**Does not include payments made by the state to the public school employees retirement fund under the provisions of Public Act 136, PA. 1945. At the rate of 11 percent of salary costs, the amount so paid for community Colleges in 1966-67 would be $3.4 million.

some perfecting, but it is making possible more uniform reporting of financial information by the community colleges.

As noted earlier, community college students should be equated the same as baccalaureate students for purposes of financial accounting. The community colleges presently are counting as full-time students all who are registered for 12 or more hours plus those registered for fewer than 12 hours equated at 12 hours. Changing to the new definition will reduce the number of FTE students that a community college can report, even though the actual number of individual students is the same. This reduction in the FTE student count could create a serious problem for the community colleges because the FTE student count has served as the cost unit for state support. To guard against a reduction in state aid, both definitions will be used until the change is fully understood, and appropriations are satisfactorily adjusted to the new definitions.

PROJECTIONS OF THE COST TO THE STATE OF OPERATING THE BACCALAUREATE INSTITUTIONS AND COMMUNITY COLLEGES

Although continuing to emphasize the importance of updating annually the five-year projections of costs and the state appropriations needed for the public educational institutions, projections are forecast in this section based upon the student enrollments projected in Table 1 of Chapter II. The object is twofold: (1) to show what the probable financial needs will be in the years immediately ahead, and (2) to indicate the magnitude of the probable long-run cost to the state, which should always be kept in mind for long-range planning.

There are several methods that might be used to project the amount of state appropriations for operations required in the future. The projections of operating cost used in this document are based in part upon the following assumptions:

Assumption No. 1. The student enrollments in the years ahead will be those projected in Table 1 of Chapter II, which as noted are based on some very important assumptions.

Assumption No. 2. Community colleges will enroll an increasing proportion of freshmen and sophomore students, as indicated in Table 1 of Chapter II.

Assumption No. 3. Overall enrollment increases will require proportionate increases in total operating costs at stable dollar values.

Assumption No. 4. The present educational process will continue to operate much as it has, although it probably will continue to be more costly because of (a) the introduction of more expensive teaching techniques, (b) real increases in salaries, (c) a shift in proportionate enrollments from the freshman-sophomore level to the junior-senior level due to increasing enrollments in the community colleges, and (d) a shift in proportionate enrollments toward the more costly advanced graduate and graduate-professional educational programs. (These phenomena are called "built-in cost increases.")

Assumption No. 5. State appropriations will continue to make up approximately the same portion of general fund revenues as at present.

Assumption No. 6. The annual inflation of the Gross National Product implicit prices, which is presently 3 percent, will settle back to 2 percent after 1970 and continue at that rate.[7]

Assumption No. 7. The average annual growth of services and wages will add approximately 3 to 4 percent to the cost of operating colleges and universities. (This assumption is built into column three, Table 6, page IV-55)

Assumption No. 8. State appropriations to community colleges should not be less than 50 percent of community college operating costs.

Table 6 shows the projections for the public baccalaureate institutions based on the foregoing assumptions of state appropriations for the operations including direct appropriations to general funds for special projects as well as for general purposes. The projections indicate a need to triple state appropriations for operations of the state institutions within the next ten years. In this connection, however, it should be noted that a doubling of state appropriations took place during the six-year period between 1962-63 and 1967-68.

Table 7 shows the projections of state appropriations for the operation of the community colleges. The projections indicate a need for more than a four-fold increase in state appropriations within the next ten years. This rate of increase in state appropriations is attributable to the assumption that a larger proportion of students will be enrolling in community colleges for the first two years of higher education, and that the state will appropriate at least 50 percent of the operating cost of community colleges.

When the projected state appropriations for operating costs of both the baccalaureate institutions and community colleges are combined, the results are as follows: The actual appropriation for 1966-67 was $213.1 million; the projected appropriation for 1970-71 is $380.7 million, and for 1975-76 $673.8 million.

These estimates are large, but it should be kept in mind that individual and state incomes are increasing, and that the burden of future costs should be measured in terms of future income levels which are related to the educational productivity of the state, thereby enhancing the economy of the state.

---

[7] Although 2 percent is higher than the 1 to 1.5 percent that has prevailed through most of the past 15 years, people seem disposed to feel that 2 percent is not high enough - that there is nothing in the offing to indicate that inflation will be checked. The position is taken here that the only certainty about a trend is that it will change and that those in positions of responsibility for monetary and fiscal affairs will come to grips with inflation and cause the trend to change downward.

Table 6

Projections of State Appropriations for Operating Budgets

State-Supported Baccalaureate Institutions

1970-71, 1975-76

Fiscal year	Percent of Increase Required for--			Appropriations	
	Enrollment growth	Built-in cost increases	Price inflations	Fiscal year	Amount (000)
(1)	(2)	(3)	(4)	(5)	(6)
				1966-67	196,425
1970-71 over 1966-67	29.8 (7.45 per year)	24.0 (6.0 per year)	12.0 (3.0 per year)	1970-71	338,352
1975-76 over 1970-71	30.3 (6.06 per year)	25.0 (5.0 per year)	10.0 (2.0 per year)	1975-76	587,007

Sources: Column 2 calculated from Table 1, Chapter II.
Column 3 calculated through 1967-68 from columns 2, 4, and 6. Estimates thereafter. Example, 1964-65 over 1963-64: $131,158,000 divided by 101.7 percent to eliminate inflation. The increase during the year then amounted to $19,135,000, or 17.4 percent of $109,800,000. 17.4 percent minus 12.2 percent (column 2) equals 5.2 percent (col. 3.)
Column 4 - GNP implicit prices: actual through 1966-67, estimates thereafter.
Column 6 - actual through 1967-68. Calculated from columns 2, 3, and 4 thereafter. Example, 1970-71 over 1966-67: $196,420,000 times 153.8 percent, to add column 2 and 3, times 112.0 percent, to add column 4, equals $338,352,000.

Assumptions: See text.

Table 7

Projections of State Appropriations for Operating Budgets

Public Community Colleges

1970-71, 1975-76

Fiscal year	Percent of Increase Required for--			Appropriations	
	Enrollment growth	Built-in cost increases	Price inflations	Fiscal year	Amount (000)
(1)	(2)	(3)	(4)	(5)	(6)
				1966-67	$20,893
1970-71 over 1966-67	57.1 (14.3 per year)	24.0 (6.0 per year)	12.0 (3.0 per year)	1970-71	42,378
1975-76 over 1970-71	61.1 (12.2 per year)	25.0 (5.0 per year)	10.0 (2.0 per year)	1975-76	86,752

Sources: Column 2 calculated from Table 1, Chapter II.
Column 3 contains the same percentages used in Table 6, Chapter IV.
Column 4 contains the same percentages used in Table 6, Chapter IV.
Column 6. The 1966-67 figure of $20,893,000 is 50 percent of the actual operating costs of the community colleges for that year. The remaining figures in this column are calculated by starting with this figure as a base and applying the percentages in columns 2, 3, and 4. The inflation factor is added after the other two increases are added.

33. *The importance of annual revision of projections for operations cannot be stressed too strongly because conditions constantly change; therefore, in keeping with its constitutional mandate to advise the legislature, the State Board of Education will carry on a continuous study of the operating needs of both the public baccalaureate institutions and community colleges.*

CAPITAL COSTS - PUBLIC INSTITUTIONS OF HIGHER EDUCATION

One of the greatest deterrents to the ability of the institutions of higher education to provide the quality and quantity of educational programs needed is shortage of physical facilities. The lack of adequate facilities will have a direct effect on the quality of educational programs, and the number of people who can be served may be arbitrarily curtailed.

Capital Costs to the State of the Public Baccalaureate Institutions

Except for those facilities financed by federal funds, gifts of donors, receipts from revenue bonds, and other institutional funds, the state presently provides the capital cost of facilities constructed by the public baccalaureate colleges and universities. Recently, the state has also provided some funds toward the cost of land required as sites for buildings.

During the past ten years, the Legislature has appropriated a total of $214 million for construction of facilities at baccalaureate institutions, as shown in Table 8. More than half of this amount was appropriated during the last three years.

Capital Costs to the State of the Community Colleges

The state began contributing to the cost of capital facilities at community colleges in the fiscal year 1956-57. Starting in 1966-67 appropriations were made to institutions on a line item basis. The amounts appropriated during the decade 1958-59 to 1967-68 totaled $32 million, as shown in Table 9. Most of this amount was appropriated during the last two years. The current statutes specify that the state may provide up to 50 percent of the cost of construction for each specific community college project, but the recent average has been in the neighborhood of 20 percent. This has left a heavy burden upon the local districts, and the shortage of facilities constitutes perhaps the greatest deterrent to the colleges' ability to provide the educational programs that their districts need.

As of the present time, the Legislature has not participated in land purchases at the public community colleges; and this, too, has sometimes placed a heavy burden on the community college districts.

34. *Due to the emerging role of the community colleges, the State Board of Education will give added study to need for the state to share in the cost of land acquisition. In addition, the State Board will review the present procedure and proportion of the state share of capital costs provided community colleges.*

Table 8

Public Baccalaureate Colleges and Universities General Fund Capital Outlay Appropriations

1958-59 to 1967-68

Fiscal Years	Amount of appropriations (000)
1958-59	$ 2,025
1959-60	1,525
1960-61	8,661
1961-62	13,178
1962-63	14,274
1963-64	22,025
1964-65	32,315
1965-66	39,550
1966-67	44,847
1967-68	35,875
Total	214,275

Table 9

Public Community and Junior Colleges General Fund Capital Outlay Appropriations

1958-59 to 1967-68

Fiscal years	Amount of appropriations (000)
1958-59	$ 1,000
1959-60	1,000
1960-61	1,000
1961-62	1,000
1962-63	1,281
1963-64	1,500
1964-65	4,000
1965-66	4,000
1966-67	9,516
1967-68	8,139
Total	32,436

PROJECTIONS OF CAPITAL COSTS TO THE STATE OF PUBLIC HIGHER EDUCATION INSTITUTIONS

The total capital needs for public higher education in Michigan from the present time to 1975 can be forecast only in broad terms. There are many variables, such as those appearing in Chapters II, III and IV that will influence the projections. Nevertheless, it is essential in planning for capital facilities that projections of their costs be undertaken.

There are several important questions which should be answered in order to project capital needs with some degree of accuracy. These are:

1. What facilities are already available?
2. What are the needs for replacing worn-out and obsolete facilities?
3. What are the needs for remodeling and updating old facilities?
4. What facilities are required to take care of anticipated growth?
5. What facilities are required in order to take advantage of new and improved educational processes?
6. Finally, what inflationary factor must be taken into account?

In the absence of definitive answers to most of the foregoing questions, projections of the needs for capital facilities at the public institutions must be made in terms of certain assumptions as follows:

Assumption No. 1. The FTE enrollment increases calculated from the enrollment projections made in Table 1 in Chapter II are taken to be 83 percent of the total credit enrollment projections for baccalaureate institutions and 71 percent for community colleges. These percents were the actual percents in the Fall of 1967 derived from Table 1-B, page 79.

Assumption No. 2. In the absence of firm student space standards, which vary from institution to institution and from educational program to educational program, an overall student space unit of 160 square feet for baccalaureate institutions and 125 square feet for community colleges is used.

Assumption No. 3. The average life of facilities is 40 years, requiring a replacement rate of 2.5 percent per year will hold constant.

Assumption No. 4. On the average, facilities will need remodeling once during the 40 years, at a cost equal to half the replacement cost, or 1.25 percent per year.

Assumption No. 5. The GNP implicit price deflator will increase at the rate of 3 percent per year through 1970, and 2 percent per year thereafter.

Assumption No. 6. The federal government will continue to provide 15 percent of the annual costs, as it has recently been doing.

Tables 10 and 11, projecting the capital needs of public institutions of higher education to 1975, are based upon these six assumptions, and the basic facts that there were, in 1966-67, 20,844,000 square feet[8] of educational space in the 11 state-supported institutions for 148,141 FTE students, or 141 square feet per student; and 4,667,513 square feet[9] of educational space in the community colleges for 55,960 FTE students, or 83 square feet per student. Another basic assumption is that the construction costs in 1966-67 for baccalaureate institutions averaged $33 per square foot, or $5,280 per student, and for community colleges $28 per square foot, or $3,500 per student.

The capital facilities needs of both the public baccalaureate institutions and the community colleges are great. Tables 10 and 11 indicate that the public baccalaureate colleges and universities could need capital expenditures for educational facilities amounting to $82.8 million annually through 1970 and $106.1 million annually for the five years 1970 to 1975; and that the public community colleges could need capital expenditures for educational facilities amounting to $29.7 million annually through 1970 and $47.4 million annually for the five years 1970 to 1975 including both the state and local shares.

Nothing has been included in Tables 10 and 11 for such catch up needs as may exist. Catch up needs may arise from insufficient construction, neglected remodeling, or inadequate replacements. But in terms of space alone, it would require $93 million to bring the space needs up to 160 square feet per 1966-67 FTE students in the baccalaureate institutions, and $66 million to bring the space needs up to 125 square feet per 1966-67 FTE student in the community colleges. The allocation of funds for capital outlay can be related to the standards already established under Title I for the determination of space needs. The State Board of Education in its annual capital outlay projections could in turn give priority to the institutions which are most in need of additional space in terms of these standards.[10]

---

[8] Budget Division

[9] Fact Sheet No. 19, Bureau of Higher Elucation, June 30, 1967.

[10] In a report prepared for the state of Michigan Department of Commerce, (General Fund - Estimates of Revenue and Expenditures to 1975), Professor Harvey E. Brazer suggests space standards for the Michigan four-year colleges ranging from 150 square foot per full-time student for some institutions to 220 square foot per student for the University of Michigan (see page 54). For the community colleges he suggests 150 square feet per full-time student (page 58). A recent report of the U.S. Office of Education (An Interim Assessment of Academic Facilities Needs,) February 29, 1968, suggests standards of 150 square feet per F.T.E. undergraduate student, 200 square feet per graduate student, and 120 square feet per junior college student (page 7). These standards are thought to be somewhat unrealistic for Michigan.

The standards of 160 square feet per student for the baccalaureate institutions, and 125 square feet per student for community colleges were arbitrarily selected as reasonable for the state of Michigan and were used for the projections shown in Tables 10 and 11. It is emphasized that institutional differences are so substantial as to negate the application of this, or any other uniform, standard in determining precise individual needs.

Table 10

Projections of Capital Requirements, Public Baccalaureate Colleges and Universities
1970 and 1975
(in thousands of dollars)

Period	FTE student increases	Additional capital facilities required, 1966 dollars	Total value of facilities, 1966 dollars	Required for replacements & remodeling, 1966 dollars	Total requirements		Total after deducting 15 percent for federal aid	
					In 1966 dollars	In current inflated dollars	Each period	Annually.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1966			$ 687,682					
1966-1970 (4 years)	43,548	$229,933	917,615	$137,642	$367,575	$389,629	$331,185	$ 82,796
1970-1975 (5 years)	57,602	304,139	1,221,754	229,079	533,218	623,865	530,285	106,057

NOTES: Column 2. The total credit enrollment increases projected in Table 1, Chapter II, decreased by 17 percent to convert them into full-time-equated (FTE) students.

Column 3. FTE students in column 2, at $5,280 of new capital outlay each.

Column 4. $687.7 million is the 1966 replacement value of the existing facilities--20,844,000 square feet at $33 per square foot. The remaining figures in column 4 are found by adding each figure in column 3 to the figure in the prior period in column 4.

Column 5. It is assumed that the average life of facilities is 40 years, requiring 2.5 percent replacement per year, and that each facility will be remodeled once during its 40-year lifetime at one-half of the replacement cost, or 1.25 percent per year. This is a combined 3.75 percent per year, or 15.0 percent for the 4-year period 1966-70 and 18.75 percent for the 5-year period 1970-75. These percents are applied to column 4 to find column 5.

Column 6. Column 3 plus column 5.

Column 7. Inflationary factor applied to column 6. The assumed annual rate is 3 percent to 1970 and 2 percent thereafter. The rate of price appreciation has not been applied annually, but by periods; that is, 6 percent for the four years 1966-70 and 17 percent for the five years 1970-75. Statistically, the inflation percentages would be 12 percent over the 4 years, however, it is assumed that projects would be started equally within the 4 years, therefore resulting in an average inflation percentage of 6 percent. In arriving at these periodic inflationary percents, it is assumed that the requirements in column 6 will take place evenly over the years in each period.

Column 8 & 9. Column 7 less 15 percent, which hopefully may be met by federal aid.

Table 11

Projections of Capital Requirements, Public Community Colleges

1970 and 1975

(in thousands of dollars)

Period	FTE student increases	Additional capital facilities required, 1966 dollars	Total value of facilities, 1966 dollars	Required for replacements & remodeling, 1966 dollars	Total requirements		Total after deducting 15 percent for federal aid	
					In 1966 dollars	In current inflated dollars	Each period	Annually
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1966			$121,372					
1966-1970 (4 years)	28,184	$ 98,644	220,016	$33,002	$131,646	$139,545	$118,613	$29,653
1970-1975 (5 years)	47,400	165,900	385,916	72,359	238,259	278,763	236,949	47,390

NOTES: Column 2. The total enrollment increases projected in Table 1, Chapter II, decreased by 29 percent to convert them into full-time equated (FTE) students. The 29 percent is based on the actual total and FTE enrollments reported for the fall of 1967.

Column 3. FTE students in column 2 at $3,500 of new capital outlay each.

Column 4. $121.4 million is the 1966 replacement value of the existing facilities--4,334,701 square feet of educational space at $28 per square foot. The remaining figures in column 4 are found by adding each figure in column 3 to the figure in the prior period in column 4.

Column 5. It is assumed that the average life of facilities is 40 years, requiring 2.5 percent replacement per year, and that each facility will be remodeled once during its 40-year lifetime at one-half of the replacement cost, or 1.25 percent per year. This is a combined 3.75 percent per year, or 15.0 percent for the 4-year period 1966-70, and 18.75 percent for the 5-year period 1970-75. These percents are applied to column 4 to find column 5.

Column 6. Column 3 plus column 5.

Column 7. Inflationary factor applied to column 6. The assumed annual rate is 3 percent to 1970 and 2 percent thereafter. The rate of price appreciation has not been applied annually, but by periods; that is, 6 percent for the four-years 1966-70 and 17 percent for the five years 1970-75. Statistically, the inflation percentages would be 12 percent over the 4 years, however, it is assumed that projects would be started equally within the 4 years, therefore resulting in an average inflation percentage of 6 percent. In arriving at these periodic inflationary percents, it is assumed that the requirements in column 6 will take place evenly over the years in each period.

Columns 8 & 9. Column 7 less 15 percent, which hopefully may be met by federal aid.

35. *The projected costs of facilities in terms of future enrollments and programs is an important undertaking if spaces are to be available, therefore, the State Board of Education will submit updated annual capital outlay projections to the Legislature, consistent with the constitutional mandate to advise concerning the financial requirements of higher education.*

A CONCLUDING STATEMENT TO CHAPTER IV

It is patently impossible for the State Board of Education to predict the precise financial requirements for higher education in the coming years, nor is it mandatory for it to do so. Other state agencies, both in the executive and legislative branches of state government, have specific responsibilities in determining state needs and the appropriations to meet them. Furthermore, projections of future trends in an uncertain world do not lend themselves to firm statistical analyses.

However, the State Board of Education is required to advise the Legislature on the financial needs of higher education. It is clear that these needs, in the coming years, will be very great. The State Board would be remiss if it did not point out the scope of these needs to the people of the state. It is appropriate that tentative delineations of these requirements be a part of every state plan. Consistent with the philosophy of planning expressed at the outset of Chapter I, the State Board of Education will subject its projections to continuous review and revision.

A CLOSING STATEMENT

The process of general planning and coordination of higher education, for which the State Board of Education is responsible, as identified in Chapters III and IV, is, in the final analysis, a large research project. Most of the major decisions the State Board will make in regard to higher education will require the collection of information, most of which is not now available.

The sheer magnitude of the projected operating and capital costs of higher education in Michigan leads to two major conclusions:

First: There is need of a great deal of basic research of higher education itself for the purpose of learning how it can be made more effective educationally and, at the same time, more efficient economically. Such an undertaking will require not only researching educational programs and procedures, but also researching management procedures and practices.

Second: More and more people of the state must understand the cultural and economic investment value of higher education, and be willing to provide the financial support necessary for its sound operation.

In addition to researching the educational process on a statewide basis, there is also need for researching the underlying business concepts and practices of the individual institutions. Many knowledgeable people believe that the mushrooming of course offerings, the multiplication and duplication of educational programs, and the accelerated growth of entire institutions have led to substantial inefficiencies in management, which, if corrected, would result in substantial savings. Such people have also felt that adequate exploitation of new innovations in communications, transportation, and teaching techniques might alter instructional programs and teaching processes so dramatically as to provide comparable or better education at unit costs below those projected in this document.

Educators, on the other hand, are likely to feel that people who think that large economies in educational management can be achieved do not understand the educational process. They are convinced that they do not have the kind of money to spend that breeds careless use of it. They are exceedingly anxious to spend their funds wisely and make every dollar count.

For the good of higher education and the welfare of the state, these issues should be resolved. Before specific action and plans for resolving them can be undertaken, the underlying facts must become known. To obtain the facts will require in-depth research into the organization, practices, and policies of university management. The State Board of Education will take the lead in promoting such research, but the task will require active cooperation of the educational institutions, the interested departments of the state, and the Legislature.

It should be noted that no attempt has been made to forecast how funds should be made available to meet the commitments necessary to achieve the goals set forth in this document. Appropriating the funds is a legislative responsibility, and the state must rely upon the Legislators to respond to the challenge, but the State Board of Education may, because of its concern, advise on how this might be done.

Even if a marked increase in operating efficiencies can be accomplished, the financial needs of higher education in Michigan, as elsewhere, are certain to increase markedly. It must be kept in mind that a failure to make the necessary investment in higher education will restrict employment of competent faculty, hamper construction of needed facilities, limit essential educational services, and restrict the quality of higher education and the number of people that will be afforded educational opportunity.

In view of the inadequacy of the state's present revenue system, serious consideration should be given to such bonding as is necessary to meet those current capital outlay plans that the present revenue system will not support. This assumes, of course, that the state will reorganize its revenue system so as to meet its ever-increasing general fund obligations, of which the cost of higher education is only a part and to fund the debt service on such bonds. It should be noted that the educational institutions themselves have borrowed extensively. As of June 30, 1966, the public community colleges had bonds outstanding or authorized in the amount of $92.5 million, and the public four-year institutions had bonds outstanding in the amount of $258 million.

The position for the state to take concerning the financing of higher education appears clear. It should be to concentrate on meeting the immediate needs, both operating and capital, just as fast as they can be identified as essential to the efficient operation of the total state system of higher education presently being developed. At the same time, long-range needs should be kept under constant study, and projections revised accordingly.

By this process the state can fulfill its responsibility to provide public higher education for its people, and at the same time, be alert to new developments and trends that should guide the direction of expenditures in the future.

There is no question that Michigan is able to make the needed investment in higher education and at the same time meet its many other public demands. There never has been a time when its people have had as much discretionary income as they do now.[11] The issue is not one of ability, but of public understanding and willingness to pay the cost.

The State Board of Education is convinced that the citizens of the state, upon review and discussion of this document, will become increasingly aware of the state's needs and will support the necessary measures to provide for the financing of higher education in the years ahead.

---

[11] Eli P. Cox, "Discretionary Income and Higher Education" Michigan State Economic Record, Volume 9, No. 9, November 1967.

APPENDIX A

APPENDIX A

Study and Advisory Committees

The plan for preparing this document was, insofar as possible, to involve interested and concerned parties. This was accomplished by the organization of a number of committees involving a large number of people and the holding of many meetings. The principal committees were the following:

Study Steering and Advisory Committee A, composed of university and college personnel of the public and independent baccalaureate institutions, community colleges, and their respective associations.

Study Committee B, on Needs for Postsecondary Educational Programs, composed of university and college personnel and citizens.

Study Committee C, on Students Unable to Pay the Costs, composed of university and college personnel and citizens.

Study Committee D, on Instruction and Educational Services, composed of faculty members representing the educational institutions.

Study Committee E, on Finance, composed of university and college financial officers and citizens.

Citizens Advisory Committee, composed of citizens. In addition to the above study committees which had an opportunity to react directly to Dr. Harold T. Smith in regard to the State Plan, the State Board of Education appointed a Citizens Advisory Committee to review and discuss with Dr. Smith the development of the State Plan and to make specific recommendations directly to the State Board of Education. The Citizens Committee was composed of representative citizens from various facets of Michigan's society. Its members are listed on page 75 in Appendix A.

Study Committee A - Study Steering and Advisory Committee

College & University Administrative Personnel

State Colleges & Universities

Edward L. Cushman
Wayne State University

Alternate: Robert E. Hubbard

Hans H. Hennecke
Saginaw Valley College

Robert Huxol
Ferris State College

Ray B. Loeschner
Eastern Michigan University

Alternate: Carl R. Anderson

Wilbur E. Moore
Central Michigan University

Milton E. Muelder
Michigan State University

George T. Potter
Grand Valley State College

Jack Rombouts
Northern Michigan University

Russell H. Seibert
Western Michigan University

Alternate: Leonard Gernant

Stephen H. Spurr
The University of Michigan

Dean W. Stebbins
Michigan Technological University

Independent Colleges & Universities

A. Raymond Baralt, Jr.
University of Detroit

Gorton Riethmiller
Olivet College

Community Colleges

Eric J. Bradner
Schoolcraft College

John E. McChrystal
Northwestern Michigan College

Advisors

Elliott G. Ballard
Michigan Council of State
College Presidents
Lansing

Robert D. Cahow
Michigan Council of Community
College Administrators
Lansing

John C. Hoekje
Association of Independent
Colleges & Universities of
Michigan
Lansing

Study Committee B - Present and Future Needs for Postsecondary Education

State Colleges & Universities

Robert Bliss
Northern Michigan University

Glenn Brown
Oakland University

Austin J. Buchanan
Central Michigan University

Gerald J. Caspary
Michigan Technological University

Ralph F. Gilden
Eastern Michigan University

Robert E. Hubbard
Wayne State University

John X. Jamrich
Michigan State University

Thomas C. Sermon
Michigan Technological University

Charles V. Spaniolo
Western Michigan University

Louis C. Stamatakos
Grand Valley State College

Karl S. Walker
Ferris State College

Ernest Zimmerman
The University of Michigan

Community Colleges

Arthur Elges
Henry Ford Community College

James Munro
Macomb County Community College

William Skinner
Northwestern Michigan College

Independent Colleges & Universities

Mrs. Marguerite Allen
Suomi College

Frank Bonta
Albion College

Robert DeYoung
Hope College

John C. Hoekje
Association of Independent
Colleges & Universities
of Michigan

Fred Shadrick
University of Detroit

Edward Swanson
Hillsdale College

Owen Whitkopf
Olivet College

Citizens

Carl L. Byerly
Detroit Public Schools

B. M. Conboy
Office of Economic Expansion

Alternate: Leonard Bronder

Paul M. Donahue, Admin. Asst.
to Cong. Lucien N. Nedzi

Cecil E. MacDonald
East Lansing

Henry J. Ponitz, Retired
Michigan Department of Public
Instruction
Lansing

Samuel C. Stearn
Michigan Employment Security
Comm.

Study Committee C - Students Unable to Pay the Cost

State Colleges & Universities

Robert C. Anderson
Michigan State University

Howard S. Bretsch
The University of Michigan

Peter Ellis
Western Michigan University

Robert Garfield
Eastern Michigan University

Gordon Langereis
Grand Valley State College

Harold Meese
Michigan Technological University

Walter B. Rea
The University of Michigan

Gordon Sabine
Michigan State University

Independent Colleges & Universities

Sister M. Amadeus
Marygrove College

John Choitz
Michigan Lutheran College

John C. Hoekje
Association of Independent Colleges & Universities of Michigan

John Kimball
Alma College

Kenneth Marin
Aquinas College

John Vanden Berg
Calvin College

Community Colleges

Nathan Ivey
Southwestern Michigan College

Karl J. Jacobs
Flint Community Junior College

Community Colleges (Cont.)

Stanley E. Van Lare
Alpena Community College

Karl Wagner
Macomb County Community College

Citizens

John Anibal
Macomb Action Program for Economic Opportunity

Brother Athanasius
Lansing Gabriels High School

Joseph E. Chope
General Motors Scholarship Program

Robert A. Collins
Flint

Harold S. DeOrlow
Manufacturers National Bank
Detroit

Leo W. Gilchrist
College Entrance Examination Board
Evanston, Illinois

Alfred E. Miller
Iron Mountain

Robert Perry
Michigan Bankers Association
Lansing

Lowell W. Reed
American College Testing Program
Iowa City, Iowa

Edward J. Robinson
Dearborn

Leonard Sain
Kettering High School
Detroit

Rabbi Joshua Sperka
Detroit

Committee D - Faculty Advisory and Study Committee

State Colleges & Universities

George E. Bahrman
Michigan Technological University

Dacho Dachoff
Ferris State College

William Hoffman
Saginaw Valley State College

Dewey Hoitenga, Jr.
Grand Valley State College

Wilfred Kaplan
The University of Michigan

Richard Kirchner
Central Michigan University

Orville Linck
Wayne State University

Vito Perrone
Northern Michigan University

Edward Potter
Eastern Michigan University

John F. A. Taylor
Michigan State University

William P. Viall
Western Michigan University

Independent Colleges & Universities

John Hollenbach
Hope College

John Loss
University of Detroit

Douglas W. Peterson
Kalamazoo College

Sister Mary Harriet Sanborn, O.P.
Aquinas College

Dezo V. Silazi
Mercy College of Detroit

Community Colleges

William M. Anderson
Southwestern Michigan College

Eleazar Curti
St. Clair County Community College

Floyd Feusse
Delta College

Jerome S. Miller
Grand Rapids Junior College

Edward G. Webber
Monroe County Community College

William R. Williams
Bay de Noc Community College

Study Committee E - Finance

College and University Financial Personnel

State Colleges & Universities

Robert W. Beecher
Western Michigan University

Norvall C. Bovee
Central Michigan University

Russel B. Brider
Saginaw Valley College

George E. Gullen, Jr.
Wayne State University

Philip J. May
Michigan State University

F. E. Oliver
The University of Michigan

Lewis Profit
Eastern Michigan University

John R. Smith
Ferris State College

E. J. Townsend
Michigan Technological University

Leo VanTassel
Northern Michigan University

Counselors

Bureau of the Budget

Charles Sturtz

Robert Endriss

Office of the Governor

Charles Orlebeke

Independent Colleges & Universities

Kenneth Beardslee
Spring Arbor College

John C. Hoekje
Association of Independent
Colleges & Universities
of Michigan

Independent Colleges & Universities (Cont.)

Wendell E. Hulcher
Mayor of Ann Arbor

Henry Steffens
Hope College

Community Colleges

William N. Atkinson
Jackson Community College

Clifford J. Bedore, Jr.
Montcalm Community College

Robert Cahow
Michigan Council of Community
College Administrators

Donald E. Helland
Oakland Community College

W. H. Nikkel
Macomb County Community College

Lloyd VanBuskirk
Kirtland Community College

Citizens

Les Biederman
Midwestern Broadcasting Co.
Traverse City

Peter G. Buterakos
Shore Acres Golf Course, Fenton

Hans Gehrke, Jr.
First Federal Savings & Loan
Detroit

Jack Goldman
Ford Research Laboratories
Dearborn

Arthur S. Huey
The Leelanau Schools, Glen Arbor

Mervyn V. Pallister
Michigan State Chamber of Commerce

Citizens Advisory Committee for Higher Education

The Honorable G. Mennen Williams
Chairman
Grosse Pointe

The Honorable John T. Letts
Vice Chairman
Grand Rapids

Oscar W. Baker
Bay City

Ivan Brown
Iron Mountain

W. M. Defoe
Bay City

Mrs. Simon P. Eaglin
Ypsilanti

Eugene B. Elliott
Adrian

George Engel
Detroit

Leon Fill M.D.
Detroit

John H. French, Jr.
Detroit

Edwin C. George
Detroit

Carl A. Gerstacker
Midland

Robert C. Herrick
Muskegon

Warren M. Huff
Plymouth

Robert E. Kinsinger
Battle Creek

Francis Kornegay
Detroit

John Lahaie
Marquette

The Honorable T. John Lesinski
Detroit

John G. MacLachlan
Detroit

Mrs. James O. McNamee
Kalamazoo

Paul E. Prill
Detroit

T. A. Saunders
Muskegon

Donald M. D. Thurber
Grosse Pointe

Thomas A. Tucker
Detroit

William Veeser
Houghton

Lois L. Waterman
Dearborn

Jean Worth
Escanaba

Charles G. Younglove
Detroit

George W. Sallade
Ann Arbor

APPENDIX B

Table 1-B
Head-Count and Full-Time-Equated Enrollments[1] in Michigan Institutions
Fall 1967

Institution		Total	Fresh-Sophs.	Jrs.-Srs.	Inter-mediate[a]	Doc-tor's	Grad-Prof.
Public Baccalaureate Institutions							
Central	HC	12,286	5,524	4,833	1,929	---	---
	FTE	9,965	5,139	4,096	730	---	---
Eastern	HC	17,121	7,324	4,764	5,033	---	---
	FTE	12,798	7,074	4,274	1,450	---	---
Ferris	HC	7,581	6,185	1,396	---	---	---
	FTE	7,715	6,279	1,436	---	---	---
Grand Valley	HC	1,729	1,218	511	---	---	---
	FTE	1,649	1,134	515	---	---	---
Michigan State	HC	42,053	16,964	14,770	6,681	3,303	335
	FTE	37,252	16,006	13,811	3,900	3,200	335
Oakland	HC	3,896	2,397	1,194	305	---	---
	FTE	3,648	2,367	1,150	131	---	---
Michigan Tech	HC	4,228	2,367	1,695	152	14	---
	FTE	4,485	2,485	1,868	117	15	---
Lake Superior	HC	1,434	1,314	120	---	---	---
	FTE	1,109	984	125	---	---	---
Northern	HC	7,267	4,377	2,244	646	---	---
	FTE	6,612	4,241	2,150	221	---	---
Saginaw Valley	HC	415	216	199	---	---	---
	FTE	253	143	110	---	---	---
Univ. of Michigan	HC	37,283	10,160	12,123	7,789	3,513	3,698
	FTE	32,062	9,773	10,633	4,483	3,475	3,698
Wayne State	HC	32,370	12,210	10,392	7,171	782	1,615
	FTE	23,086	9,529	7,213	3,587	869	1,888
Western	HC	20,045	7,863	8,843	3,287	52	---
	FTE	16,200	7,316	7,365	1,463	56	---
TOTAL	HC	187,708	78,119	63,084	32,993	7,664	5,848
	FTE	156,834	72,470	54,746	16,082	7,615	5,921
Percent FTE/HC		84	93	87	49	99	101
Community Colleges	HC	78,594		---	---	---	---
	FTE	[b]55,960		---	---	---	---
Private colleges	HC	50,463	n.a.	n.a.	n.a.	n.a.	n.a.
	FTE	[c] n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

---

[1] See Chapter I, p. 10.

Source: Institutions' reports filed with the Bureau of the Budget.

[a] Includes master's degrees

[b] FTE students amount to 71 percent of total headcount students.

[c] Not available

Table 2-B
Degrees Conferred at Four-year Public Institutions for 1965-66, 1966-67[1]

Institution	All degrees		Bachelor's degree		Intermediate degree[a]		First professional		Doctor's degree	
	1966-67	1965-66	1966-67	1965-66	1966-67	1965-66	1966-67	1965-66	1966-67	1965-66
Central Michigan	1,742	1,501	1,393	1,239	349	262	-	-	-	-
Eastern Michigan	2,287	1,943	1,448	1,269	839	674	-	-	-	-
Ferris State	512	457	512	457	-	-	-	-	-	-
Grand Valley	137	-	137	-	-	-	-	-	-	-
Michigan State	7,595	7,035	5,034	4,670	2,081	1,962	[b]57	[b]48	423	355
Oakland Univ.	337	-	326	-	11	-	-	-	-	-
Michigan Tech.	622	603	556	559	66	44	-	-	-	-
Lake Superior	11	-	11	-	-	-	-	-	-	-
Northern Michigan	926	807	703	663	223	174	-	-	-	-
Saginaw Valley	29	-	29	-	-	-	-	-	-	-
Univ. of Michigan	8,149	7,391	3,952	3,884	3,099	3,011	[c]623	[c]597	475	439
Wayne State	4,421	3,832	2,562	2,380	1,450	1,149	[d]266	[d]181	143	122
Western Michigan	3,773	3,256	2,973	2,597	800	659	-	-	-	-
Total	30,541	27,365	19,636	17,688	8,918	7,935	946	826	1,041	916

[1] See Chapter I, p. 10

Source: U. S. Office of Education

[a] Includes master's and specialists degrees.

[b] Veterinary medicine.

[c] Dentistry, law, medicine.

[d] Law, medicine.

Table 3-B
Number of Degrees and Certificates[1] Conferred by Michigan Community Colleges for 1967-68

Institution	Certificates	Associate Degrees
Alpena Community College	0	150
Bay de Noc Community College	50	68
Delta College	0	294
Flint Community Junior College	57	282
Glen Oaks Community College	17	6
Gogebic Community College	50	101
Grand Rapids Junior College	0	392
Henry Ford Community College	0	387
Highland Park College	36	321
Jackson Community College	61	323
Kalamazoo Valley Community College	0	0
Kellogg Community College	59	168
Kirtland Community College	0	0
Lake Michigan College	79	190
Lansing Community College	100	264
Macomb County Community College	15	553
Mid Michigan Community College	0	0
Monroe County Community College	0	10
Montcalm Community College	23	7
Muskegon County Community College	77	263
North Central Michigan College	0	56
Northwestern Michigan College	422	152
Oakland County Community College	10	156
St. Clair County Community College	0	246
Schoolcraft College	30	238
Southwestern Michigan College	40	57
Washtenaw Community College	12	35
West Shore Community College	0	0
Total	1,138	4,719

[1] See Chapter I, p. 10.

Note: Certificates include only those awarded for completion of vocational-technical curriculum less than two years in length. Figures for students who completed two-year vocational-technical programs for which Associate Degrees were not granted are not available and thus are not included in the data.

Source: Data was submitted by institutions to U.S. Office of Education, a Higher Education General Information Survey, OE 2300-2.1. Degrees and other formal awards were conferred between July 1, 1967 and June 30, 1968.

Table 4-B
The Private Colleges and Universities[1] of Michigan and Kinds of Degrees Awarded in 1966-67

	INSTITUTION	ASSOC.	BACHELOR'S	MASTER'S	1st PROF.	DOCTORAL
1.	*Adrian College (C)		X			
2.	*Albion College (LA)		X	X		
3.	*Alma College (C)		X			
4.	*Andrews University (U)		X	X		
5.	*Aquinas College (LA)		X			
6.	Art School of the Society of Arts and Crafts (A)		B.F.A.			
7.	Bay View Association College of Liberal Arts and Music (C)	(College Credit Offered Through Albion College)				
8.	*Calvin College (C)		X			
9.	Calvin Theological Seminary (SE)				B.D.	
10.	Chrysler Institute of Engineering (E)			X		
11.	Cleary College (Bu)	X	B.B.A.			
12.	Concordian Lutheran Junior College (Jr)	X	B.F.A.	M.F.A.		
13.	*Cranbrook Academy of Art (A)					
14.	Davenport College of Business (Bu)	X				
15.	De Lima Junior College (Jr)	X				
16.	Detroit Bible College (Bi)		X			
17.	Detroit College of Business (C)	X	X			
18.	Detroit College of Law (Lw)				LL.B.	
19.	Detroit Conservatory of Music (Mu)		X			
20.	Detroit Institute of Musical Art (Mu)		X			
21.	*Detroit Institute of Technology (Tc)		X			
22.	*Duns Scotus College(C)		X			
23.	*General Motors Institute (E)		X			
24.	Grace Bible College(Bi)		X			
25.	Grand Rapids Baptist Bible College & Seminary (Th)		X			
26.	*Hillsdale College (C)		X			
27.	*Hope College (C)		X			
28.	Interlochen College of Creative Arts (A-Mu)	X				

---

[1] See Chapter I, p. 10.

Table 4-B (continued)

INSTITUTION	ASSOC.	BACHELOR'S	MASTER'S	1st PROF.	DOCTORAL
29. *Kalamazoo College (C)		X			
30. *Lawrence Institute of Technology (Tc)	X	X			
31. Mackinac College (C)		X			
32. Madonna College (LA)		X			
33. Maryglade College (Se)		X			
34. *Marygrove College (C)		X	X		
35. *Mercy College of Detroit (LA)		X			
36. Merrill-Palmer Institute (C)	(Degrees Awarded Through Cooperating Institutions)				
37. Michigan Christian Junior College (Jr)	X	X			
38. Michigan Lutheran College (C)		X			
39. Muskegon Business College (Bu)	X				
40. *Nazareth College (C)		XX			
41. Northwood Institute (C)	X				
42. *Olivet College (C)		X			
43. Owosso College (C)		X			
44. Reformed Bible Institute (Bi)	(Application for Degree Status Pending)				
45. Sacred Heart Novitiate (LA)		X			
46. *Sacred Heart Seminary (C)		X			
47. St. John's Provincial Seminary (Th)	(Bachelor's Degree Offered Through Cath. Univ. Amer)				
48. St. Joseph's Seminary (Th)	(No Degree now Offered)				
49. St. Mary's College(LA)		X			
50. *Siena Heights College (LA)		X	X		
51. *Spring Arbor College (LA)					
52. *Suomi College (Jr)	X				
53. The Midrasha College of Jewish Studies of United Hebrew Schools of Detroit (Th)	X	X			
54. *University of Detroit (U)		X			Ph.D Chemistry English Engineering
55. Walsh Institute of Accountancy (Bu)	(No Degree now Offered)				
56. Western Theological Seminary (Se)				B.D.	

Table 4-B (continued)

INSTITUTION	ASSOC.	BACHELOR'S	MASTER'S	1st PROF.	DOCTORAL
TOTAL	11	38	8	4	1

Source: USOE General Survey

Key: (A) = Art School
(Bi)= Bible School
(Bu)= Business School
(C) = College
(E) = Engineering School
(Jr)= Junior College
(LA)= Liberal Arts Institution
(Lw) = Law School
(Mu) = Music School
(U) = University
(Se) = Seminary
(Tc) = Technical Institute
(Th) = Theology School

* Institution Accredited by North Central Association

APPENDIX C

ARTICLE VIII

EDUCATION

Encouragement of education.

Sec. 1. Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.

Free public elementary and secondary schools; discrimination.

Sec. 2. The legislature shall maintain and support a system of free public elementary and secondary schools as defined by law. Every school district shall provide for the education of its pupils without discrimination as to religion, creed, race, color or national origin.

State board of education; duties.

Sec. 3. Leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to institutions of higher education granting baccalaureate degrees, is vested in a state board of education. It shall serve as the general planning and coordinating body for all public education, including higher education, and shall advise the legislature as to the financial requirements in connection therewith.

Superintendent of public instruction; appointment, powers, duties.

The state board of education shall appoint a superintendent of public instruction whose term of office shall be determined by the board. He shall be the chairman of the board without the right to vote, and shall be responsible for the execution of its policies. He shall be the principal executive officer of a state department of education which shall have powers and duties provided by law.

State board of education; members, nomination, election, term.

The state board of education shall consist of eight members who shall be nominated by party conventions and elected at large for terms of eight years as prescribed by law. The governor shall fill any vacancy by appointment for the unexpired term. The governor shall be ex-officio a member of the state board of education without the right to vote.

Boards of institutions of higher education, limitation.

The power of the boards of institutions of higher education provided in this constitution to supervise their respective institutions and control and direct the expenditure of the institutions' funds shall not be limited by this section.

Higher education institutions; appropriations, accounting, public sessions of boards.

Sec. 4. The legislature shall appropriate moneys to maintain the University of Michigan, Michigan State University, Wayne State University, Eastern Michigan University, Michigan College of Science and Technology, Central Michigan University, Northern Michigan University, Western Michigan University, Ferris Institute, Grand Valley State College, by whatever names such institutions may hereafter be known, and other institutions of higher education established by law. The legislature shall be given an annual accounting of all income and expenditures by each of these educational institutions. Formal sessions of governing boards of such institutions shall be open to the public.

University of Michigan, Michigan State University, Wayne State University; controlling boards.

Sec. 5. The regents of the University of Michigan and their successors in office shall constitute a body corporate known as the Regents of the University of Michigan; the trustees of Michigan State University and their successors in office shall constitute a body corporate known as the Board of Trustees of Michigan State University; the governors of Wayne State University and their successors in office shall constitute a body corporate known as the Board of Governors of Wayne State University. Each board shall have general supervision of its institution and the control and direction of all expenditures from the institution's funds. Each board shall, as often as necessary, elect a president of the institution under its supervision. He shall be the principal executive officer of the institution, be ex-officio a member of the board without the right to vote and preside at meetings of the board. The board of each institution shall consist of eight members who shall hold office for terms of eight years and who shall be elected as provided by law. The governor shall fill board vacancies by appointment. Each appointee shall hold office until a successor has been nominated and elected as provided by law.

Other institutions of higher education, controlling boards.

Sec. 6. Other institutions of higher education established by law having authority to grant baccalaureate degrees shall each be governed by a board of control which shall be a body corporate. The board shall have general supervision of the institution and the control and direction of all expenditures from the institution's funds. It shall, as often as necessary, elect a president of the institution under its supervision. He shall be the principal executive officer of the institution and be ex-officio a member of the board without the right to vote. The board may elect one of its members or may designate the president, to preside at board meetings. Each board of control shall consist of eight members who shall hold office for terms of eight years, not more than two of which shall expire in the same year, and who shall be appointed by the governor by and with the advice and consent of the senate. Vacancies shall be filled in like manner.

Community and junior colleges; state board, members, terms vacancies.

Sec. 7. The legislature shall provide by law for the establishment and financial support of public community and junior colleges which shall be supervised and controlled by locally elected boards. The legislature shall provide by law for a state board for public community and junior colleges which shall advise the state board of education concerning general supervision and planning for such colleges and requests for annual appropriations for their support. The board shall consist of eight members who shall hold office for terms of eight years, not more than two of which shall expire in the same year, and who shall be appointed by the state board of education. Vacancies shall be filled in like manner. The superintendent of public instruction shall be ex-officio a member of this board without the right to vote.

Services for handicapped persons.

Sec. 8. Institutions, programs and services for the care, treatment, education or rehabilitation of those inhabitants who are physically, mentally or otherwise seriously handicapped shall always be fostered and supported.

Public libraries, fines.

Sec. 9. The legislature shall provide by law for the establishment and support of public libraries which shall be available to all residents of the state under regulations adopted by the governing bodies thereof. All fines assessed and collected in the several counties, townships and cities for any breach of the penal laws shall be exclusively applied to the support of such public libraries, and county law libraries as provided by law.

APPENDIX D

October 5, 1965

Honorable Edward J. Robinson
State Senator
The Capitol
Lansing, Michigan

Dear Senator Robinson:

You have requested my opinion on the following question:

> "May the legislature without a recommendation from the State Board of Education pass legislation setting up a state university or college?"

The people have established a State Board of Education in Article VIII, Section 3 of the Michigan Constitution of 1963 and have entrusted to it "leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to institutions of higher education granting baccalaureate degrees, ***." In this portion of the Constitution they have also commanded that the State Board of Education "shall serve as the general planning and coordinating body for all public education, including higher education, and shall advise the legislature as to the financial requirements in connection therewith."

In the same section of the Michigan Constitution, the people have stated "the power of the boards of institutions of higher education provided in this constitution to supervise their respective institutions and control and direct the expenditure of the institutions' funds shall not be limited by this section."

At issue here is the constitutional grant of power to the State Board of Education to serve as the general planning and coordinating body for all public education, including higher education, as set forth in Article VIII, section 3. Because we deal with the creation of a new state university or college, the limitation upon the power of the board of education found in Article VIII, Section 3, does not apply.

In determining the intent of the framers of the Constitution and the people ratifying it, resort may be made to the Constitutional Convention Debates and the Address to the People to decide the meaning of the Constitution. Burdick v. Secretary of State, 373 Mich 578 (1964). Article VIII, Section 3, first came before the Constitutional Convention as Committee Proposal 47 from the Committee on Education. In its original form the pertinent part of the provision read as follows:

> "The committee recommends that the following be included in the constitution:
>
> "Sec. a. THERE SHALL BE ESTABLISHED A STATE BOARD OF EDUCATION WHICH SHALL PROVIDE LEADERSHIP AND SUPERVISION OVER PUBLIC EDUCATION INCLUDING ADULT EDUCATION AND INSTRUCTIONAL PROGRAMS IN STATE INSTITUTIONS OTHER THAN COLLEGES AND UNIVERSITIES. IN ADDITION, IT SHALL SERVE AS THE GENERAL PLANNING AND COORDINATING BODY FOR ALL PUBLIC EDUCATION IN THE STATE AND SHALL PROVIDE ADVICE TO THE

> LEGISLATURE AND TO THE PEOPLE AS TO THE AMOUNT OF STATE SUPPORT REQUIRED. THE POWER OF THE BOARDS OF INSTITUTIONS OF HIGHER EDUCATION OTHERWISE PROVIDED HEREIN TO SUPERVISE THEIR RESPECTIVE INSTITUTIONS AND CONTROL AND DIRECT THE EXPENDITURE OF THE INSTITUTIONS' FUNDS SHALL NOT BE LIMITED BY THIS SECTION." Constitutional Convention 1961 Official Record, p. 1188

In presenting Committee Proposal 47, Mr. Bentley, chairman of the committee on education, submitted the following reasons, in part, in support of Committee Proposal 47:

> "The new state board is a symbol of partnership between the people and the state. As representative of the people, it embraces popular control, discourages use of education as a partisan tool, provides continuity of statewide policies and programs, is a barrier to special interest group influence on the schools, and helps unify educational forces throughout the state.
>
> "It is considered the unifying and coordinating force for education within the state. The committee recommends that the board shall receive information from all of the various levels of public education -- elementary, secondary, higher and other public institutions providing instructional programs.
>
> "Such information shall be used in order that the state board of education may adequately consider and advise local school boards, governing boards of colleges and universities, the legislature and the people as to the total needs of education in this state and make recommendations concerning their solution." Constitutional Convention 1961 Official Record, p. 1189.

In the debate that ensued on first reading, Delegate Romney made the following pertinent observations concerning the Committee Proposal:

> "The third thing it does is to enlarge the functions of the board. The new board of education is given leadership and supervision over education other than colleges and universities. This means the elementary and secondary schools as well as other institutions of an educational character. The third thing it does is to give this board overall planning and coordinating responsibility for all of education. This we have not had. As Miss Hart just indicated, we have had a fragmented situation where segments of education have been operating quite autonomously, and for the first time through this overall board we set up a body that has general planning and coordinating authority. This means that this board is in the position to determine where community colleges should be located, for instance, with the advice of the community college board, whether 4 year colleges should add additional departments, or whether universities should add additional post graduate work, it gives this board the key position in recommending to the governor and the legislature all the steps taken to meet our educational needs in the state." Constitutional Convention 1961 Official Record, p. 1190

It must be observed that on first reading the express grant of power to generally plan and coordinate did not explicitly include higher education. This was added on second reading, as will be observed hereafter. However, the comments by Delegate Romney are especially pertinent because they reflect an intent to confer broad powers upon the State Board of Education to determine the location of colleges and the addition of departments, both undergraduate and graduate.

It is also significant to consider the statement made by Delegate T. S. Brown, and to quote it here, in part:

> "It is insufficient in this day and age to have the fragmented type of planning or lack of planning that we have in the present constitution and this gave rise to the idea of the super board. This board, of course, was considered by the people representing the larger universities in this state and they were all in accordance with the fact that there should be some sort of preplanning without detracting from their individual autonomy or the destruction of their traditional way of operating their particular universities." Constitutional Convention 1961 Official Record, p. 1192.

In the debate that followed, Delegate King stated, in part:

> "Mr. Chairman, ladies and gentlemen of the delegation, I was extremely pleased when I, as we progressed through this education article, found that we were going to strengthen the board of education. My opinion is, the present board of education is not constituted as a broad and powerful coordinating group over all state supported educational institutions***
>
> "I say the board of education ought to be elected by the people, I say it ought to be a powerful coordinating group, which can bring all of the divergent factors of education in this state of Michigan together, working as a team." Constitutional Convention 1961 Official Record, pp. 1217, 1218.

We must also consider the statements made by Delegate Douglas:

> "Mr. Chairman and fellow delegates, I am not going to try to answer the question specifically, but I think that we should try to separate, in section a. the first sentence from the second sentence. The first sentence here:
>
> There shall be established a state board of education which shall provide leadership and supervision over public education including adult education and instructional programs in state institutions other than colleges and universities.
>
> Now the function of the state board of education in the second sentence is different.

> "We had a very difficult time, and this was a little touchy subject here; we are trying to create within the state board of education a function of coordinating and planning, and the minute you start to talk about coordinating and planning in higher education, you are on a very touchy subject. There was some criticism brought to our attention that higher education had not been too responsive to the legislature as to the finances. I think that those in higher education responded quite well, and they showed the committee where they did submit to the legislature all the proper documents showing income. Somewhere else, in the latter part of the sentence, we have provided there that they will show this income. But still, the problem arose in the state of Michigan, we have nobody to say whether or not a certain institution shall expand to a point, no one knows where, and we, on the committee, felt that somewhere along the line in the entire educational program there should be some body, some central body that could at least say, well, schools A, B, C will not have a medical school or a dental school.
>
> "This is part of the entire program. How can this be done? One thing brought to our attention was that a state institution can't expand too much because the legislature holds the purse-strings, but we also had other evidence that different institutions do have somewhat of a lobby, or influence people who go throughout the legislature trying to get the things that they want. So, I think that the language here resulted from our many discussions on how shall this body influence the legislature, how shall the people know what kind of higher institutions we shall have. I want to repeat that the second sentence here has to do with the state board of education and their function and coordination with the higher institutions." Constitutional Convention 1961 Official Record, p. 1228.

Proposal No. 47 was approved on first reading without change in the pertinent language quoted above on February 21, 1962. Constitutional Convention Official Record, pp. 1231, 1232.

On second reading, Committee Proposal No. 47, in pertinent part, was sought to be amended to read as follows:

> "Leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to degree granting institutions of higher education, is vested in a state board of education. It shall serve as the general planning and coordinating body for all public education, including higher education, and shall advise the legislature as to the financial requirements in connection therewith." Constitutional Convention 1961 Official Record, p. 2573.

Delegate Bentley offered the following explanation in support of the amendment:

> "Mr. President, there are changes in the amendment. The first change is to reinsert the word 'Leadership,' which was removed by

> the committee on style and drafting. The committee on education felt very strongly that the function, or one of the primary functions, of the state board of education would be to provide leadership in the field of public education and we would hope that the convention would agree to reinsert this language as the very first word for the new proposal. With respect to the insertion in line 5 of 'degree granting' before institutions of higher education, the reason the committee on education felt this desirable was because there are institutions of higher education that do not grant degrees, and we desired to specify the exemption in this particular case of supervision on the part of the board of education only with respect to the institutions of higher education that do actually grant degrees. Finally, the insertion in line 8, after 'education,' of the 3 words 'including higher education,' would indicate higher education in all fields is definitely included in public education for which the state board of education is designed to serve as the general planning and coordinating body.
>
> "We feel that in all 3 cases, Mr. President, the insertion of these words more clearly spells out the intent of the committee on education. This first amendment was approved by the committee on education, as I say, only as recently as this noon, and we urge upon you the adoption of this committee amendment." Constitutional Convention 1961 Official Record, p. 2573.

The amendment was adopted. Constitutional Convention Official Record, p. 2573. So amended, the pertinent language was approved on second reading on April 18, 1962, Constitutional Convention Official Record, p. 2579, and was not changed thereafter.

The constitutional history of Article VIII, Section 3, recited above indicated most clearly that the framers intended to repose in the State Board of Education the broad authority to generally plan and coordinate all public education, including higher education. The debates are persuasive that the State Board of Education was empowered not only to determine the location of colleges and universities, but the additions of departments to existing colleges and universities on both the undergraduate and graduate level. This must include the authority to recommend the establishment of a new college or university.

An examination of the language employed by the framers of the Constitution and the people in ratifying it supports the same conclusion.

The word "general" has been defined to mean "pertaining to the whole." Central Hanover Bank & Trust Company v. Nisbet, 186 A 643 (1936); Carter v. Carter, 359 SW2d 184 (1962).

The word "planning" has been defined to connote "systematic development." Mansfield & Swett, Inc. v. Towne of West Orange, 198 A 225 (1938); Mills v. City of Baton Rouge, 28 So2d 447 (1948).

In McHenry v. Onachita Parish School Board, 125 So 841 (1930), the term "coordinate" appearing in the constitution of the State of Louisiana as it related to education was defined by the high court of that State to mean "to regulate and combine in harmonious action."

Thus, it is clear that the State Board of Education has been granted broad powers by the people to provide for the systematic development of higher education in Michigan with the power to regulate and combine in harmonious action. The legislature cannot impinge upon this authority by providing for a new state university or college without the prior advice, determination and recommendation of the State Board of Education.

Therefore, it is the opinion of the Attorney General that by means of Article VIII, Section 3, the people have conferred constitutional power upon the State Board of Education to advise and recommend the establishment of a new state college or university. The legislature is without power to enact a statute establishing such a college or university without the prior determination, advice and recommendation by the State Board of Education.

Very truly yours,

FRANK J. KELLEY
Attorney General